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FINAL
CITY COUNCIL
CITY OF WICHITA
KANSAS

City Council Meeting
09:30 a.m. October 27, 2015

First Floor Board Room
455 North Main

OPENING OF REGULAR MEETING

- Call to Order
- Approve the minutes of regular meeting on October 20, 2015

II. CONSENT AGENDA ITEMS 1 THROUGH 22

NOTICE: Items listed under the "Consent Agendas" will be enacted by one motion with no separate discussion. If discussion on an item is desired, the item will be removed from the "Consent Agendas" and considered separately

(The Council will be considering the City Council Consent Agenda as well as the Planning, Housing, and Airport Consent Agendas. Please see "ATTACHMENT 1 – CONSENT AGENDA ITEMS" for a listing of all Consent Agenda Items.)

COUNCIL AGENDA

VIII. COUNCIL MEMBER AGENDA

1. Approval of travel expenses for Mayor Jeff Longwell, Vice Mayor James Clendenin, Council Member Lavonta Williams, Council Member Janet Miller, Council Member Bryan Frye and Council Member Pete Meitzner to attend the National League Congress of Cities in Nashville, Tennessee, November 3 - 8, 2015.

RECOMMENDED ACTION: Approve the expenditures.

2. Approval of Travel expenses for Council Members Jeff Blubaugh and Pete Meitzner to attend the National Business Aviation Association, November 16 - 18, 2015, Las Vegas, Nevada.

RECOMMENDED ACTION: Approve the expenditures.

IX. COUNCIL MEMBER APPOINTMENTS AND COMMENTS

1. Board Appointments.

RECOMMENDED ACTION: Approve the appointments.

Adjournment

*****WORKSHOP TO FOLLOW*****

(ATTACHMENT 1 – CONSENT AGENDA ITEMS 1 THROUGH 22)

II. CITY COUNCIL CONSENT AGENDA ITEMS

1. Report of Board of Bids and Contracts dated October 26, 2015.

RECOMMENDED ACTION: Receive and file report; approve the contracts; and authorize the necessary signatures.

2. Applications for Licenses to Retail Cereal Malt Beverages:

<u>Renewal</u>	<u>2015</u>	<u>(Consumption on-premises)</u>
Matthew Ryan	Two Brothers BBQ & Burger Grill**	3134 E. Douglas

<u>Renewal</u>	<u>2015</u>	<u>(Consumption off-premises)</u>
Kevin Schemm	Dillons #96***	5500 E. Harry
Bao Tran	B & H Fast Trips***	2796 S. Seneca St.

**General/Restaurant (need 50% or more gross revenue from sale of food)

***Retailer (Grocery stores, convenience stores, etc.)

RECOMMENDED ACTION: Approve licenses subject to staff review and approval.

3. Preliminary Estimates:

- a. List of Preliminary Estimates.

RECOMMENDED ACTION: Receive and file.

4. Consideration of Street Closures/Uses:

- a. Community Events - Hawaii 5-0K. (District II)
b. Community Events - Wichita Symphony Orchestra's Young People's Concerts Bus Parking. (District 1)

RECOMMENDED ACTION: Approve the request subject to; (1) Hiring off-duty certified law enforcement officers as required; (2) Obtaining barricades to close the streets in accordance with requirements of Police, Fire and Public Works Department; and (3) Securing a Certificate of Liability Insurance on file with the Community Events Coordinator.

5. Agreements/Contracts:

- a. Hold Harmless Agreement, 2828 West Benjamin Drive. (District VI)

RECOMMENDED ACTION: Approve the agreements/contracts and authorize the necessary signatures.

6. Design Services Agreements:

- a. Joint Funding Agreement with United States Geological Survey for Cheney Reservoir.
- b. Supplemental Design Agreement No. 1 for Fox Ridge Plaza Addition. (District V)

RECOMMENDED ACTION: Approve agreements/contracts, adopt the resolution and authorize the necessary signatures.

7. Minutes of Advisory Boards/Commissions:

Wichita Historic Preservation Board, July 13, 2015
Board of Electrical Appeals, September 8, 2015
Board of Park Commissioners, September 14, 2015
Wichita Transit Advisory Board, September 18, 2015
Wichita Public Library Board of Directors, September 15, 2015

RECOMMENDED ACTION: Receive and file.

8. Repair or Removal of Dangerous and Unsafe Structures: (District VI)

Property Address

- a. 1061 N. Waco (front and rear)

Council District

VI

RECOMMENDED ACTION: Adopt the attached resolutions to schedule public hearings before the City Council on December 8, 2015 at 09:30 a.m. or as soon as possible thereafter, to consider condemnation of structures deemed dangerous and unsafe per Kansas State Statutes and local ordinances.

9. Report on Claims for September 2015.

RECOMMENDED ACTION: Receive and file.

10. KDOT Safety Grant Bicycle Lights, Bells, and Reflectors Agreement.

RECOMMENDED ACTION: Approve the grant agreement and authorize the necessary signatures.

11. Library Equipment and Software for PCI Compliance.

RECOMMENDED ACTION: Approve the purchase and authorize the necessary signatures.

12. Over-Estimate Bid and Funding for Improvements to Douglas Bridge at Linden. (District II)

RECOMMENDED ACTION: Approve acceptance of the lowest bid, waive City Council Policy No. 2 regarding the use of project savings to allow transfer of funds, approve the revised budgets, adopt the amending resolutions and authorize the necessary signatures.

13. Over-Estimate Bid and Funding for Wichita-Valley Center Flood Control Improvements. (District VI)

RECOMMENDED ACTION: Approve acceptance of the lowest over-estimate bid, adopt the resolution, approve the budget, and authorize all necessary signatures.

14. Partial Loan Forgiveness Request, Home Repair Program. (District III)

RECOMMENDED ACTION: Approve the partial loan forgiveness request, with all net proceeds from an approved sale to be paid to the City, and authorize the necessary signatures.

15. Resolution for Sewer Utility Funding to Serve Improvements on 55th Street South. (District IV)

RECOMMENDED ACTION: Adopt the resolution and notice of intent, and authorize the necessary signatures.

16. 2016 Drug Enforcement Administration (DEA) State and Local Task Force.

RECOMMENDED ACTION: Approve continued annual participation in DEA State and Local Task Forces and approve the budget for the fiscal year beginning September 30, 2015.

17. Wichita Retirement Systems' Comprehensive Annual Financial Report for the Fiscal Year Ended December 31, 2014.

RECOMMENDED ACTION: Receive and file the Wichita Retirement Systems' Comprehensive Annual Financial Report for the fiscal year ended December 31, 2014.

18. Second Reading Ordinances: (First Read October 20, 2015)

RECOMMENDED ACTION: Adopt the Ordinances.

II. CONSENT PLANNING AGENDA ITEMS

NOTICE: Public hearing on planning items is conducted by the MAPC under provisions of State law. Adopted policy is that additional hearing on zoning applications will not be conducted by the City Council unless a statement alleging (1) unfair hearing before the MAPC, or (2) alleging new facts or evidence has been filed with the City Clerk by 5p.m. on the Wednesday preceding this meeting. The Council will determine from the written statement whether to return the matter to the MAPC for rehearing.

19. *DED2015-00011 Dedication of Street Right-of-Way Located on the Northwest Corner of 39th Street North and Webb Road. (District II)

RECOMMENDED ACTION: Accept the Dedication.

20. *VAC2015-00015 - Request to Vacate a Portion of a Platted Reserve and the Platter's Text on Property Generally Located Southeast of 13th Street North and 119th Street West, South of Pine Grove Street, on the East Side of Alderny Court. (District V)

RECOMMENDED ACTION: Approve the Vacation Order (simple majority of four votes required) and authorize the necessary signatures.

21. *A15-05 - Request by USD 261 to Annex Lands Generally Located One-Half Mile South of MacArthur Road and on the West Side of Hoover Road. (District IV)

RECOMMENDED ACTION: Approve the annexation request, place the ordinance on first reading, authorize the necessary signatures and instruct the City Clerk to publish the ordinance after approval on second reading.

II. CONSENT HOUSING AGENDA ITEMS

NOTICE: The City Council is meeting as the governing body of the Housing Authority for consideration and action on the items on this Agenda, pursuant to State law, HUD, and City ordinance. The meeting of the Authority is deemed called to order at the start of this Agenda and adjourned at the conclusion.

Carole Trapp, Housing Member is also seated with the City Council.

None

II. CONSENT AIRPORT AGENDA ITEMS

NOTICE: The City Council is meeting as the governing body of the Airport Authority for consideration and action on items on this Agenda, pursuant to State law and City ordinance. The meeting of the Authority is deemed called to order at the start of this Agenda and adjourned at the conclusion.

22. *Sale of Right-of-Way to Sedgwick County for the Improvement of 45th Street - North - Colonel James Jabara Airport.

RECOMMENDED ACTION: Approve the real estate purchase agreement and authorize all necessary signatures.

Wichita, Kansas
October 26, 2015
10:00 a.m., Monday
Conference Room, 12th Floor

MINUTES - BOARD OF BIDS AND CONTRACTS*

The Board of Bids and Contracts met with Marty Strayer, Administrative Assistant, Public Works, Amy Belcher Accountant, Finance, representing the Director of Finance, Troy Tillotson, Budget Analyst, Budget Office, Clarence Rose, Senior Buyer, representing Purchasing, and Janis Edwards Deputy City Clerk, present.

Minutes of the regular meeting dated October 19, 2015, were read and on motion approved:

Bids were opened October 2 and 23, 2015, pursuant to advertisements published on:

Douglas Avenue Bridge Replacement (Douglas Avenue, East Branch Gypsum Creek) 87N-0611-01/472-85119(715731)

Wildcat Construction Co. Inc.* - \$1,458,668.00

*Award 10/27/2015 Subject to City Council Approval of New Engineer's Estimate, Budget Authorization, and KDOT Approval.

13th Street North at Edgemoor (13th Street North at Edgemoor (13th Street, east of Oliver) 87N-0582-01/472-85162 (707069/636329)

Defer two weeks pending KDOT approval

Woodchuck Bicycle Boulevard (Westport & Ridge to Maple and Woodchuck)

Defer two weeks pending KDOT approval

2015 Sanitary Sewer Rehabilitation Phase F (CIPP) (north of 31st Street South, east of Meridian) (468-85062/620755/665005) Traffic to be maintained during construction using flagpersons and barricades. (Districts I,II,IV,VI)

Layne Inliner LLC - \$385,555.55

2015 Sanitary Sewer Reconstruction Phase 10 (north of Lincoln, east of Hydraulic) (468-85056/620751/665005) Traffic to be maintained during construction using flagpersons and barricades. (District I)

Dondlinger and Sons - \$323,560.00

Riverside Drainage District Sanitary Sewer Siphon Bartlow Second, Rock Island Industrial Park, MacArthur Beach, Purcell's 10th, and Wichita Boeing Employee Association Additions (south of MacArthur Road, east of Seneca Street) (468-84937/620725/664030) Traffic to be maintained during construction using flagpersons and barricades. (District All)

Nowak Construction - \$167,115.00

**Lateral 545, Southwest Interceptor Sewer (south of 55th, east of Seneca) (468-85020/744395/ 480087)
See Special Provisions. (District IV)**

Danco Enterprises Inc.* - \$33,999.00 *Negotiated for Engineer's Estimate

**2015 Outsourced Pavement Preservation Program CIP Arterial Concrete Repair on 29th Street
North, Broadway to Ohio (29th Street North, Broadway to Ohio) (472-85173a/707073/620756/
636246/133116/211537/665005/771633/133116) Traffic to be maintained during construction using
flagpersons and barricades. (District VI)**

PPJ Construction Inc. - \$311,750.00 Engineer's Estimate

**27th Court, located approximately 420 feet east of the southwest corner of Stoney Pointe Addition to
serve Stoney Pointe Addition (east of Greenwich, south of 29th Street North) (472-84978/766325/
490346) Does not affect existing traffic. (District II)**

Cornejo and Sons LLC - \$87,046.00

Purchasing Manager recommended that the contracts be awarded/deferred as outlined above, subject to check, same being the lowest and best bids within the Engineer's construction estimate.

On motion the Board recommended that the contracts be awarded/deferred as outlined above, subject to check, same being the lowest and best bids within the Engineer's construction estimate.

LIBRARY/ KI Library furniture at Evergreen and Rockwell Branch Library.

Kansas Contract Design, LC* - \$60,798.00 per National Joint Purchasing Alliance (NJPA)
contract KI #OT53840

*Purchases utilizing Government Entities Contracts, Cooperative Contracts and Agreements
- Ordinance No. 38-122 Section 2.64.020 (j).

The Purchasing Division recommended that the contracts be awarded as outlined above, same being the lowest and best bid.

On motion the Board recommended that the contracts be awarded as outlined above, same being the lowest and best bid.

On motion the Board of Bids adjourned.

Marty Strayer, Administrative Assistant
Department of Public Works

Janis Edwards, CMC
Deputy City Clerk

FORMAL BID REPORT

TO: Robert Layton, City Manager

DATE: October 26, 2015

ENGINEERING BIDS – GARY JANZEN, CITY ENGINEER**October 2, 2015**

Douglas Avenue Bridge Replacement (Douglas Avenue, East Branch Gypsum Creek) – Public Works & Utilities Department/Engineering Division-

Wildcat Construction Co., Inc. (Award October 27, 2015 Subject to City Council Approval of New Engineer's Estimate, Budget Authorization and KDOT Approval) **\$1,458,668.00**

October 23, 2015

13th Street North at Edgemoor (13th Street, east of Oliver) – Public Works & Utilities Dept./Engineering Division
(Defer to November 9, 2015) (Pending KDOT Approval)

Woodchuck Bicycle Boulevard (Westport & Ridge to Maple & Woodchuck) – Public Works & Utilities Department/Engineering Division (Defer to November 9, 2015) (Pending KDOT Approval)

2015 Sanitary Sewer Rehabilitation Phase F (CIPP) (north of 31st Street S., east of Meridian) – Public Works & Utilities Department/Engineering Division

Layne Inliner, LLC **\$385,555.55**

2015 Sanitary Sewer Reconstruction Phase 10 (north of Lincoln, east of Hydraulic) – Public Works & Utilities Department/Engineering Division

Dondlinger & Sons **\$323,560.00**

Riverside Drainage District Sanitary Sewer Siphon to serve Bartlow Second, Rock Island Industrial Park, MacArthur Beach, Purcell's 10th, and Wichita Boeing Employee Association Additions – Public Works & Utilities Dept./Engineering Division

Nowak Construction **\$167,115.00**

Lateral 545, Southwest Interceptor Sewer (south of 55th, east of Seneca) – Public Works & Utilities Department/Engineering Division

Danco Enterprises, Inc. (Negotiated to Engineer's Estimate) **\$33,999.00**

2015 OP3 CIP Arterial Concrete Repair on 29th Street North, Broadway to Ohio – Public Works & Utilities Department/Engineering Division

PPJ Construction, Inc. (Engineer's Estimate) **\$311,750.00**

Paving – 27th Court (now Boulder) to serve Stoney Pointe Addition – Public Works & Utilities Department/Engineering Division

Cornejo & Sons, LLC **\$87,046.00**

PURCHASING BIDS – MELINDA A. WALKER, PURCHASING MANAGER**October 26, 2015**

KI Library Furniture at Evergreen and Rockwell Branch Library – Library Department

Kansas Contract Design, LC **Cooperative Contracts and Agreements, Ordinance No. 38-122, Section 2.64.020(j)** **\$60,798.00**

ITEMS TO BE PURCHASED AS ADVERTISED IN THE OFFICIAL CITY NEWSPAPER.


Melinda A. Walker
Purchasing Manager

PAVING BID TABULATION SUMMARY

BOARD OF BIDS - October 2, 2015

RQ540980

FB540162		Engineer's Construction Estimate	Wildcat Construction Co. Inc.	Barkley Construction	Cornejo & Sons, LLC
Douglas Avenue Bridge Replacement			\$1,458,668.00		
(Douglas Avenue, East Branch Gypsum Creek)	BID BOND		X		
	ADDENDA	4	X		
87N-0611-01/472-85119 (715731)					
		Engineer's Construction Estimate	Dondlinger & Sons	Kansas Paving Company	
Douglas Avenue Bridge Replacement					
(Douglas Avenue, East Branch Gypsum Creek)	BID BOND				
	ADDENDA	4			
87N-0611-01/472-85119 (715731)					
		Engineer's Construction Estimate			
Douglas Avenue Bridge Replacement					
(Douglas Avenue, East Branch Gypsum Creek)	BID BOND				
	ADDENDA	4			
87N-0611-01/472-85119 (715731)					
		Engineer's Construction Estimate			
Douglas Avenue Bridge Replacement					
(Douglas Avenue, East Branch Gypsum Creek)	BID BOND				
	ADDENDA	4			
87N-0611-01/472-85119 (715731)					
AWARD, 10-27-15 SUBJECT TO CITY COUNCIL APPROVAL OF NEW ENGINEER'S ESTIMATE, BUDGET AUTHORIZATION AND KDOT APPROVAL					

CHECKED BY: MjREVIEWED BY: XJ

PAVING BID TABULATION SUMMARY

BOARD OF BIDS - October 23, 2015

RQ541119

FB540182		Engineer's Construction Estimate	Cornejo & Sons, LLC	Kansas Paving Company	Andale Construction Inc.
13th Street North at Edgemoor			\$943,550.32	\$768,634.85	\$842,458.63
	BID BOND			X	
(13th Street, east of Oliver)	ADDENDA	2	X	X	X
87N-0582-01/472-85162 (707069 / 636329)					
		Engineer's Construction Estimate	Pearson Construction Inc.	Kansas Paving Company	
13th Street North at Edgemoor			\$694,840.90		
	BID BOND		X		
(13th Street, east of Oliver)	ADDENDA	2	X		
87N-0582-01/472-85162 (707069 / 636329)					
		Engineer's Construction Estimate			
13th Street North at Edgemoor					
	BID BOND				
(13th Street, east of Oliver)	ADDENDA	2			
87N-0582-01/472-85162 (707069 / 636329)					
		Engineer's Construction Estimate			
13th Street North at Edgemoor					
	BID BOND				
(13th Street, east of Oliver)	ADDENDA	2			
87N-0582-01/472-85162 (707069 / 636329)					
DEFER 2 WEEKS PENDING KDOT APPROVAL					

CHECKED BY: REVIEWED BY: 

PAVING BID TABULATION SUMMARY

BOARD OF BIDS - October 23, 2015

RQ541120

FB540183		Engineer's Construction Estimate	Cornejo & Sons, LLC	Kansas Paving Company	Pearson Construction LLC
Woodchuck Bicycle Boulevard			\$658,255.65	\$522,294.80	\$502,316.00
(Westport & Ridge to Maple & Woodchuck)	BID BOND				X
	ADDENDA	1		X	X
87TE-0617-01/472-85110 (707053)					
		Engineer's Construction Estimate	Dondlinger & Sons		
Woodchuck Bicycle Boulevard					
(Westport & Ridge to Maple & Woodchuck)	BID BOND				
	ADDENDA	1			
87TE-0617-01/472-85110 (707053)					
		Engineer's Construction Estimate			
Woodchuck Bicycle Boulevard					
(Westport & Ridge to Maple & Woodchuck)	BID BOND				
	ADDENDA	1			
87TE-0617-01/472-85110 (707053)					
		Engineer's Construction Estimate			
Woodchuck Bicycle Boulevard					
(Westport & Ridge to Maple & Woodchuck)	BID BOND				
	ADDENDA	1			
87TE-0617-01/472-85110 (707053)					
DEFER 2 WEEKS PENDING KDOT APPROVAL					

CHECKED BY: KPREVIEWED BY: PS

SANITARY SEWER BID TABULATION SUMMARY

BOARD OF BIDS - October 23, 2015

RQ541148

FB540188		Engineer's Construction Estimate	Layne Inliner LLC	Insituform Technologies USA LLC	Mies Construction
2015 Sanitary Sewer Rehabilitation Phase F (CIPP)		\$402,954.00	\$385,555.55	\$393,179.00	
(north of 31st St S, east of Meridian)	BID BOND				
468-85062	ADDENDA	0			
(620755)					
		Engineer's Construction Estimate	McCullough Excavation	Nowak Construction	Utilities Plus
2015 Sanitary Sewer Rehabilitation Phase F (CIPP)		\$402,954.00			
(north of 31st St S, east of Meridian)	BID BOND				
468-85062	ADDENDA	0			
(620755)					
		Engineer's Construction Estimate	Wildcat Construction	Stannard Construction d/b/a WB Carter	
2015 Sanitary Sewer Rehabilitation Phase F (CIPP)		\$402,954.00			
(north of 31st St S, east of Meridian)	BID BOND				
468-85062	ADDENDA	0			
(620755)					
		Engineer's Construction Estimate			
2015 Sanitary Sewer Rehabilitation Phase F (CIPP)		\$402,954.00			
(north of 31st St S, east of Meridian)	BID BOND				
468-85062	ADDENDA	0			
(620755)					

CHECKED BY: KP
REVIEWED BY: PS

SANITARY SEWER BID TABULATION SUMMARY

BOARD OF BIDS - October 23, 2015

RQ541149

FB540189		Engineer's Construction Estimate	Dondlinger & Sons	Wildcat Construction	Mies Construction
2015 Sanitary Sewer Reconstruction Phase 10		\$423,930.00	\$323,560.00	\$331,295.00	
(north of Lincoln, east of Hydraulic)	BID BOND				
468-85056	ADDENDA	1			
(620751)					
		Engineer's Construction Estimate	McCullough Excavation	Nowak Construction	Utilities Plus
2015 Sanitary Sewer Reconstruction Phase 10		\$423,930.00			
(north of Lincoln, east of Hydraulic)	BID BOND				
468-85056	ADDENDA	1			
(620751)					
		Engineer's Construction Estimate		Stannard Construction d/b/a WB Carter	
2015 Sanitary Sewer Reconstruction Phase 10		\$423,930.00			
(north of Lincoln, east of Hydraulic)	BID BOND				
468-85056	ADDENDA	1			
(620751)					
		Engineer's Construction Estimate			
2015 Sanitary Sewer Reconstruction Phase 10		\$423,930.00			
(north of Lincoln, east of Hydraulic)	BID BOND				
468-85056	ADDENDA	1			
(620751)					

CHECKED BY: KDREVIEWED BY: PH

SANITARY SEWER BID TABULATION SUMMARY

BOARD OF BIDS - October 23, 2015

RQ541223

FB540196		Engineer's Construction Estimate	Dondlinger & Sons	Duling Construction	Nowak Construction
Riverside Drainage District Sanitary Sewer Siphon		\$457,258.00	\$174,943.40	\$272,818.00	\$167,115.00
Bartlow Second, Rock Island Industrial Park, MacArthur Beach, Purcell's 10th, and Wichita Employee Association Additions	BID BOND				
	ADDENDA	0			
468-84937 (620725)					
		Engineer's Construction Estimate	Wildcat Construction		Utilities Plus
Riverside Drainage District Sanitary Sewer Siphon		\$457,258.00	\$206,281.00		
Bartlow Second, Rock Island Industrial Park, MacArthur Beach, Purcell's 10th, and Wichita Employee Association Additions	BID BOND				
	ADDENDA	0			
468-84937 (620725)					
		Engineer's Construction Estimate		Stannard Construction d/b/a WB Carter	
Riverside Drainage District Sanitary Sewer Siphon		\$457,258.00			
Bartlow Second, Rock Island Industrial Park, MacArthur Beach, Purcell's 10th, and Wichita Employee Association Additions	BID BOND				
	ADDENDA	0			
468-84937 (620725)					
		Engineer's Construction Estimate			
Riverside Drainage District Sanitary Sewer Siphon		\$457,258.00			
Bartlow Second, Rock Island Industrial Park, MacArthur Beach, Purcell's 10th, and Wichita Employee Association Additions	BID BOND				
	ADDENDA	0			
468-84937 (620725)					

CHECKED BY: KPREVIEWED BY: PS

SANITARY SEWER BID TABULATION SUMMARY

BOARD OF BIDS - October 23, 2015

RQ541224

FB540198		Engineer's Construction Estimate	Dondlinger & Sons	Duling Construction	Mies Construction
Lateral 545, Southwest Interceptor Sewer		\$33,999.00	\$48,833.50	\$74,945.00	\$39,277.00
(south of 55th, east of Seneca)	BID BOND				
468-85020	ADDENDA	1			
(744395)					
		Engineer's Construction Estimate	Danco Enterprises Inc.	Nowak Construction	Utilities Plus
Lateral 545, Southwest Interceptor Sewer		\$33,999.00	\$34,110.00		
(south of 55th, east of Seneca)	BID BOND				
468-85020	ADDENDA	1	X		
(744395)					
		Engineer's Construction Estimate	Wildcat Construction	Stannard Construction d/b/a WB Carter	
Lateral 545, Southwest Interceptor Sewer		\$33,999.00			
(south of 55th, east of Seneca)	BID BOND				
468-85020	ADDENDA	1			
(744395)					
		Engineer's Construction Estimate			
Lateral 545, Southwest Interceptor Sewer		\$33,999.00			
(south of 55th, east of Seneca)	BID BOND				
468-85020	ADDENDA	1			
(744395)					
CONTRACT NEGOTIATED FOR ENGINEER'S ESTIMATE \$33,999.00					

CHECKED BY: KPREVIEWED BY: pt

PAVING BID TABULATION SUMMARY

BOARD OF BIDS - October 23, 2015

RQ541225

FB540197		Engineer's Construction Estimate	Barkley Construction	Kansas Paving Company	PPJ Construction Inc.
2015 OP3 CIP Arterial Concrete Repair on 29th Street North, Broadway to Ohio		\$311,750.00	\$267,450.00	\$235,240.00	\$232,945.00
	BID BOND				X
(29th St N., Broadway to Ohio)	ADDENDA	0			
472-85173a (707073/620756/636246/133116)					
		Engineer's Construction Estimate	Dondlinger & Sons	Kansas Paving Company	
2015 OP3 CIP Arterial Concrete Repair on 29th Street North, Broadway to Ohio		\$311,750.00			
	BID BOND				
(29th St N., Broadway to Ohio)	ADDENDA	0			
472-85173a (707073/620756/636246/133116)					
		Engineer's Construction Estimate			
2015 OP3 CIP Arterial Concrete Repair on 29th Street North, Broadway to Ohio		\$311,750.00			
	BID BOND				
(29th St N., Broadway to Ohio)	ADDENDA	0			
472-85173a (707073/620756/636246/133116)					
		Engineer's Construction Estimate			
2015 OP3 CIP Arterial Concrete Repair on 29th Street North, Broadway to Ohio		\$311,750.00			
	BID BOND				
(29th St N., Broadway to Ohio)	ADDENDA	0			
472-85173a (707073/620756/636246/133116)					
		Engineer's Construction Estimate			
2015 OP3 CIP Arterial Concrete Repair on 29th Street North, Broadway to Ohio		\$311,750.00			
	BID BOND				
(29th St N., Broadway to Ohio)	ADDENDA	0			
472-85173a (707073/620756/636246/133116)					
CONTRACT AWARDED FOR ENGINEER'S ESTIMATE \$311,750.00					

CHECKED BY: KPREVIEWED BY: RS

PAVING BID TABULATION SUMMARY

BOARD OF BIDS - October 23, 2015

RQ541187

FB540194		Engineer's Construction Estimate	APAC - Kansas Inc	Cornejo & Sons LLC	Kansas Paving Company
27th Court (now Boulder)		\$98,580.00	\$100,100.00	\$87,046.00	\$103,938.25
	BID BOND				
Stoney Pointe Addition	ADDENDA	3			
472-84978 (766325)					
		Engineer's Construction Estimate	Dondlinger & Sons		
27th Court (now Boulder)		\$98,580.00			
	BID BOND				
Stoney Pointe Addition	ADDENDA	3			
472-84978 (766325)					
		Engineer's Construction Estimate			
27th Court (now Boulder)		\$98,580.00			
	BID BOND				
Stoney Pointe Addition	ADDENDA	3			
472-84978 (766325)					
		Engineer's Construction Estimate			
27th Court (now Boulder)		\$98,580.00			
	BID BOND				
Stoney Pointe Addition	ADDENDA	3			
472-84978 (766325)					

CHECKED BY: KPREVIEWED BY: PS

**Purchases Utilizing Government Entities Contracts
Cooperative Contracts and Agreements
Ordinance No. 38-122 Section 2.64.020 (j)**

SUBJECT: KI Library furniture at Evergreen and Rockwell Branch Library

Pricing based on National Joint Purchasing Alliance (NJPA) contract – KI
#OT53840

Department: Library

Vendor	Reference Authority	Total Cost
Kansas Contract Design, L.C.	Ordinance No. 38-122 Section 2.64.020 (j)	\$60,798.00

**PRELIMINARY ESTIMATES
FOR CITY COUNCIL OCTOBER 27, 2015**

- a. Cranbrook Street from the west line of Lot 2, Block 5 to the south line of Lot 8, Block 5; and on Cranbrook Court from Cranbrook Street to and including the cul-de-sac to serve Brentwood South Addition (north of Pawnee, east of Webb) (472-85218/766339/490360) Does not affect existing traffic. (District II) - \$408,000.00
- b. 27th and Hillside Traffic Signals (27th and Hillside) (472-85073/707074/707043/211538/211508) Traffic to be maintained during construction using flagpersons and barricades. (District I) - \$175,890.00

PRELIMINARY ESTIMATE of the cost of:

Cranbrook Street from the west line of Lot 2, Block 5 to the south line of Lot 8, Block 5;
and on Cranbrook Court from Cranbrook Street to and including the cul-de-sac to serve
Brentwood South Addition (north of Pawnee, east of Webb)

All work done and all materials furnished to be in accordance with plans and specifications
on file in the office of the City Engineer.

LUMP SUM BID ITEMS

1	AC Pavement 5" (3" Bit Base)	5,491	sy
2	Crushed Rock Base (5"), Reinforced	1,211	sy
3	Crushed Rock Base (6"), Reinforced	5,638	sy
4	Concrete Pavement (VG) 7" (Reinf)	116	sy
5	Concrete C & G, Type 2 (3 5/8" RL & 1 1/2")	3,085	lf
6	Concrete Curb, Mono Edge (3 5/8" RL & 1 1/2")	68	lf
7	Concrete Sidewalk 4"	5,100	sf
8	Inlet Hookup	2	ea
9	Excavation	3,155	cy
10	Saw Cut	74	lf
11	Pipe, SWS 18", RCP	344	lf
12	Pipe, SWS 24", RCP	245	lf
13	Inlet, Curb (Type 1A) (L=10' W=3')	2	ea
14	MH, Shallow SWS, 5'	1	ea
15	Inlet, Backyard	2	ea
16	Rip-Rap, Light Stone	17	sy
17	Fill, Protective	15	lf
18	Fill, Sand (Flushed & Vibrated)	43	lf
19	Signing	1	LS
20	Seeding	1	LS
21	Maintain Existing BMPs	1	LS
22	Site Clearing	1	LS
23	Site Restoration	1	LS

MEASURED QUANTITY BID ITEMS

24	BMP, Construction Entrance	1	ea
25	BMP, Erosion Control Blanket	4,464	sy
26	BMP, Inlet Protection	4	ea
27	Inlet Underdrain	40	lf

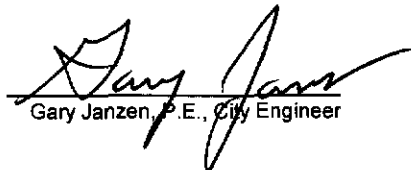
Construction Subtotal

Design Fee
Engineering & Inspection
Administration
Publication
Contingency

Total Estimated Cost**\$408,000.00**

CITY OF WICHITA)
STATE OF KANSAS) SS

I do solemnly swear that the above amount is correct, reasonable and just.


Gary Janzen, P.E., City Engineer

Sworn to and subscribed before me this _____
(DATE)

City Clerk

490360 (766339) 472-85218

Page _____

EXHIBIT

PRELIMINARY ESTIMATE of the cost of:
 27th & Hillside Traffic Signals
 (27th & Hillside)

All work done and all materials furnished to be in accordance with plans and specifications on file in the office of the City Engineer.

LUMP SUM BID ITEMS

1	Site Clearing	1	LS
2	Pavement Marking	1	LS
3	Traffic Control	1	LS
4	Traffic Signalization	1	LS
5	BMP Erosion Control	1	LS
6	Seeding/Mulching/Fertilizing	1	LS

MEASURED QUANTITY BID ITEMS

7	Pavement Removed	24	sy
8	Sidewalk, Drive, &/or Pkg Lot Removed	16	sy
9	Concrete Sidewalk 4"	21	sy
10	Concrete C&G Removed & Replaced	76	lf
11	Wheelchair Ramp w/ Detectable Warnings	3	ea

Construction Subtotal

Engineering & Inspection (707074)
 Administration (707074)
 Publication (707074)

Total Estimated Cost

\$175,890.00

CITY OF WICHITA)
 STATE OF KANSAS) SS

I do solemnly swear that the above amount is correct, reasonable and just.


 Gary Janzen, P.E., City Engineer

Sworn to and subscribed before me this _____
 (DATE)

 City Clerk

211538/211508 (707074/707043) 472-85073

Page _____

EXHIBIT _____

City of Wichita
City Council Meeting
October 27, 2015

TO: Mayor and City Council
SUBJECT: Community Events – Hawaii 5-0K (District II)
INITIATED BY: Division of Arts & Cultural Services
AGENDA: Consent

Recommendation: Approve the request for temporary street closures.

Background: In accordance with the Community Events procedure, event promoter John Muir, Wichita Running Company, is coordinating the Hawaii 5-0K event with City of Wichita staff, subject to final approval by the City Council.

Analysis: The following street closure request has been submitted:

Hawaii 5-0K November 7, 2015 8:00 am – 12:00 pm

- East Thorn Drive, North Rock Road to North Comotara Street
- North Comotara Street, East Thorn Drive to East 37th Street North
- East 37th Street North, North Rock Road to West Webb Road
- West Webb Road, East 37th Street to East 40th Street North
- East 40th Street North, West Webb Road to North Toben Street
- North Toben Street, East 40th Street North to East 37th Street North
- North Rock Road, East Thorn Drive to East 37th Street North

The event promoter will arrange to remove the barricades as necessary to allow emergency vehicle access during the entire designated time period. The barricades will be removed immediately upon completion of the event.

Financial Consideration: The event promoter is responsible for all costs associated with the special event.

Legal Consideration: This action complies with the ordinance on street closures for community events.

Recommendation/Actions: It is recommended that the City Council approve the request subject to: 1) Hiring off-duty certified law enforcement officers as required; 2) Obtaining barricades to close the streets in accordance with requirements of the Police, Fire and Public Works and Utilities Departments; and 3) Securing a Certificate of Liability Insurance on file with the Community Event Coordinator.

City of Wichita
City Council Meeting
October 27, 2015

TO: Mayor and City Council

SUBJECT: Community Events – Wichita Symphony Orchestra’s Young People’s Concerts
Bus Parking (District I)

INITIATED BY: Division of Arts & Cultural Services

AGENDA: Consent

Recommendation: Approve the request for temporary street closure.

Background: In accordance with the Community Events procedure, the event promoter Anne Marie Brown, Wichita Symphony Orchestra, is coordinating the Wichita Symphony Orchestra’s Young People’s Concerts bus parking with City of Wichita staff, subject to final approval by the City Council.

Analysis: The following street closure request has been submitted:

Wichita Symphony Orchestra’s Young People’s Concerts Bus Parking, November 17-19, 2015 9:00 am – 12:00 pm

- Century II Drive, Main Street to Douglas Avenue
- Century II Drive, Main Street to Cancun Street
- Cancun Street, Century II Drive to English Street

The promoter will arrange to remove the barricades as necessary to allow emergency vehicle access during the entire designated time period. The barricades will be removed immediately upon completion of the event.

Financial Consideration: The event promoter is responsible for all costs associated with the special event.

Legal Consideration: This action complies with the ordinance on street closures for community events.

Recommendation/Actions: It is recommended that the City Council approve the request subject to: 1) Hiring of off-duty certified law enforcement officers as required; 2) Obtaining barricades to close the streets in accordance with requirements of the Police, Fire and Public Works and Utilities Departments.

City of Wichita
City Council Meeting
October 27, 2015

TO: Mayor and City Council

SUBJECT: Hold Harmless Agreement, 2828 West Benjamin Drive (District VI)

INITIATED BY: Department of Public Works & Utilities

AGENDA: Consent

Recommendation: Approve the hold harmless agreement.

Background: The property owner at 2828 West Benjamin Drive constructed improvements on Lot 10, Block F, in Benjamin Hills Estates, within the City's utility easement.

Analysis: The proposed agreement allows the pool house, electrical wiring, water piping and a gas line, to remain over and across a utility easement, located within Lot 10, Block F, in Benjamin Hills Estates. The agreement further provides that the property owner waives all rights of action in law arising out of the encroachment into the easement. Additionally, the agreement allows the City to be held harmless from any and all claims resulting from leaking, cave-in or failure of the existing or any future sanitary sewer line or any other infrastructure owned by the Utility, and from claims resulting from maintenance, replacement or upgrade of lines, manholes, and other City property in the easement.

Financial Considerations: There are no financial considerations associated with the approval of this agreement.

Legal Considerations: The Law Department has reviewed and approved the hold harmless agreement as to form.

Recommendations/Actions: It is recommended that the City Council approve the hold harmless agreement and authorize the necessary signatures.

Attachments: Hold harmless agreement and map.

HOLD HARMLESS AGREEMENT

THIS AGREEMENT made this _____ day of _____, 2015, BY AND BETWEEN THE CITY OF WICHITA, KANSAS, hereinafter called "CITY" AND KIM DAVIS, hereinafter called "OWNER"

WITNESSETH:

WHEREAS, the public has been granted an eight foot (8') Easement along the northeasterly lot lines of Lot 10, Block F, in Benjamin Hills Estates, Wichita, Sedgwick County, Kansas, herein after described as Exhibit "A" (attached).

WHEREAS, the Owner has occupied and constructed a pool house, electrical wiring, water piping and a gas line over the previously described section of said Easement, to wit, hereinafter referred to as **Tract "A"** (see attached Exhibit showing proposed encroachment and location).

NOW THEREFORE, in consideration of the premises and the several mutual and reciprocal promises of the parties, it is agreed as follows:

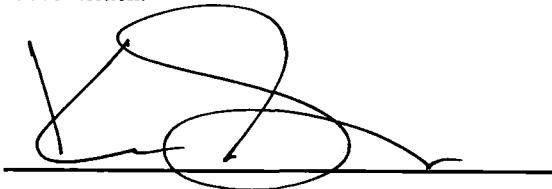
- (1) The City hereby agrees to permit the Owner to occupy previously constructed improvements, over and across the aforesaid Easement.
- (2) In the event of an emergency or situation in which extensive notice is not feasible, that requires a repair and/or maintenance of any public utility within the Easement, and the same repair and/or maintenance is determined by the City to be impossible or impractical due to the presence of the encroachment described as Tract "A", the City may remove or damage any structure on the Easement, with the Owner being responsible to pay the costs to remove that portion of the structure within the Easement.

In any other event that any public utility within the easement is planned or requires repair and/or maintenance and the same construction or repair is determined by the City to be impossible or impractical due to the presence of the encroachment described as Tract "A", the Owner shall be obligated to (a) allow the City to remove or damage any structure on the Easement; (b) remove the said encroachment and clear the Easement; or (c) pay the costs of tunneling under the encroachment to permit repair and/or maintenance of the public utility. After being notified by the City of the planned repair, maintenance or construction, the Owner shall have thirty (30) days to notify the City of its option and, if removal of the structure was selected, to complete the removal. If the Owner fails to remove the structure or agree to pay the costs of tunneling under the encroachment within thirty (30) days, the City may remove or damage any structure

on the Easement, with the Owner being responsible to pay the costs to remove that portion of the structure within the Easement. The time to select an option or remove the structure may be extended by the City in writing.

- (3) The Owner agrees to protect and indemnify the City and adjacent property owners against any increased cost that may accrue to them due to the necessity of construction of greater distance to avoid connecting beneath any improvements that may be built on, over and across said Easement. In the event the Owner fails to provide such indemnification, the Owner agrees that the City may assess any cost incurred by it against the property of the Owner. Such assessment shall be in the manner described in K.S.A. 12-6a 17, as amended from time to time.
- (4) The Owner agrees to indemnify and hold harmless the City from any and all claims for personal injury and/or property damage resulting from the leaking, cave-in or failure of that portion of said structure within Tract "A" and which injury and/or damage is caused by the presence of the encroachment into Tract "A". The Owner hereby releases the City from any and all claims that it might have for property damage caused by work performed by the City, or its employees, agents and contractors, in connection with the inspection, repair and/or maintenance of the utility within the above described Easement.
- (5) This Agreement may be terminated by the City upon failure of the Owner to comply with all of the terms of this Agreement.
- (6) The provisions contained herein are to be construed as covenants running with the land and may be enforced against any titleholder of the within described premises, so long as the structure contemplated by this agreement is in existence.
- (7) This document creates a temporary, non-exclusive interest in real property and is not a construction contract governed by K.S.A. 16-121 as amended.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed in their names the day and year first above written.



Owner

STATE OF KANSAS, SEDGWICK COUNTY, ss:

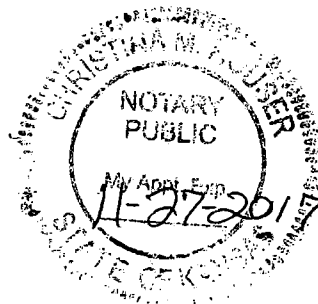
BE IT REMEMBERED, that on this 14th day of September, 2015, before me, a Notary Public, in and fore said county and state, came Kim Davis, to me personally known to be the same person(s) who executed the within and foregoing instrument and duly acknowledged the execution of the same as the authorized act and deed of the Corporation.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal, the day and year last written.

Christina M. Houser

Notary Public

My Commission Expires: 11-27-2017



CITY OF WICHITA, KANSAS

By _____
Jeff Longwell, Mayor
City

ATTEST:

City Clerk

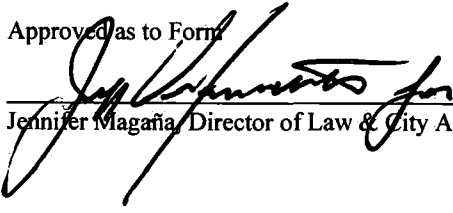
STATE OF KANSAS, SEDGWICK COUNTY, ss:

BE IT REMEMBERED, that on this _____ day of _____, 2015, before me, a Notary Public, in and fore said county and state, came, Jeff Longwell, Mayor of the City of Wichita, Kansas, to me personally known to be the same person who executed the within and foregoing instrument, and duly acknowledged the execution of the same, for and on behalf, and as the act and deed of said City.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal, the day and year last written.

Notary Public
My Commission Expires: _____

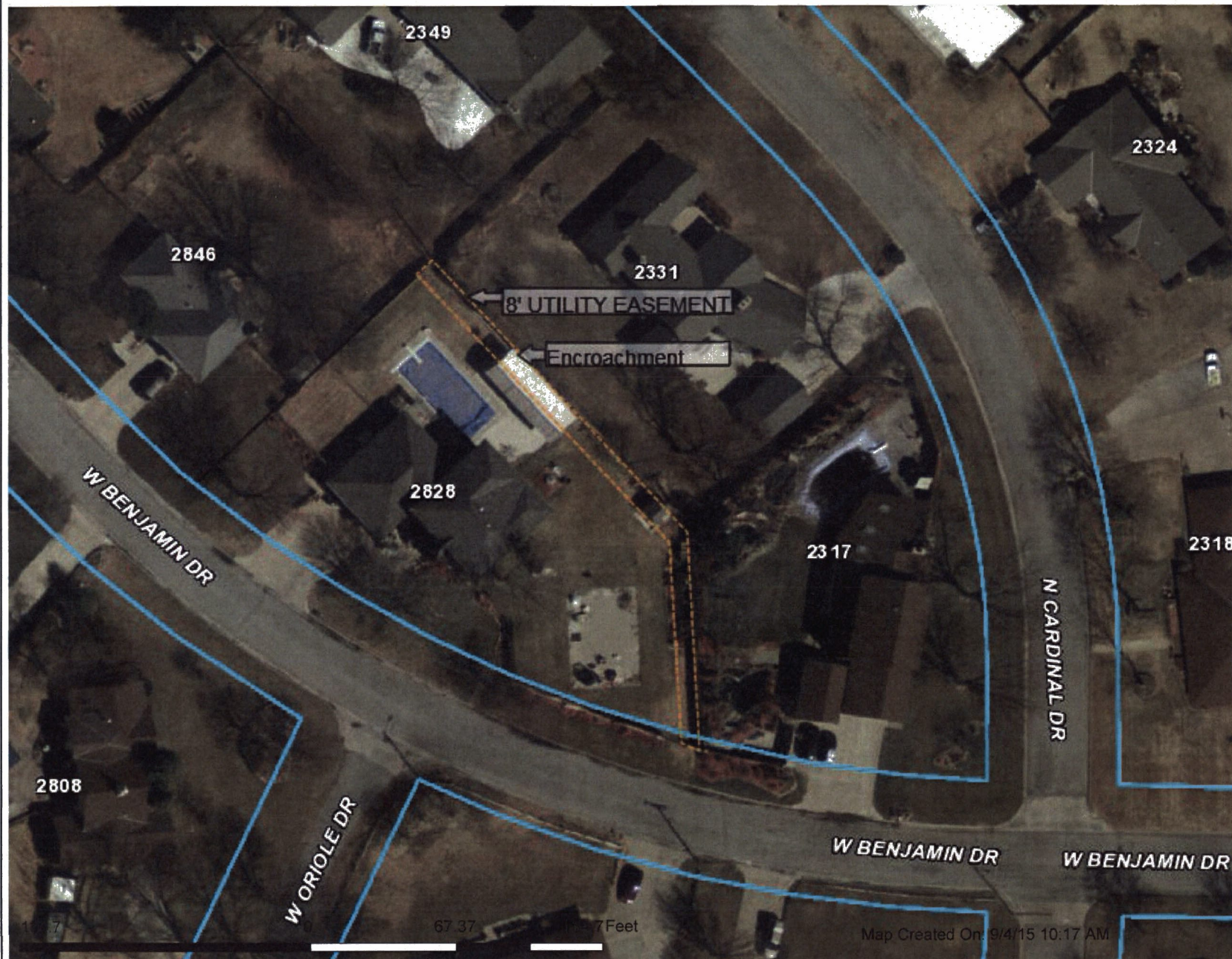
Approved as to Form



Jennifer Magaña, Director of Law & City Attorney



2828 W Benjamin Drive



This information is not an official record, and cannot be used as such. The user should rely only upon official records available from the custodian of records in the appropriate City and/or County department. Some data provided here and used for the preparation of these maps has been obtained from public records not created or maintained by the City of Wichita.

1: 808



City of Wichita
City Council Meeting
October 27, 2015

TO: Mayor and City Council

SUBJECT: Joint Funding Agreement with United States Geological Survey for Cheney Reservoir (All Districts)

INITIATED BY: Department of Public Works & Utilities

AGENDA: Consent

Recommendation: Approve the Joint Funding Agreement 16C4KS002300000 with the United States Geological Survey (USGS) for Water Quality Conditions in the North Fork Ninescah River and Cheney Reservoir for the period of October 1, 2015 to September 30, 2018.

Background: This agreement between the City of Wichita and the United States Department of Interior, USGS is a renewal of an existing cooperative agreement for operating water-quality monitors and analyzing water samples from the North Fork of the Ninescah River and Cheney Reservoir. The scope of the proposed work is similar to that done under the previous agreement, which was in place from October 1, 2008 to September 30, 2015.

Analysis: Cheney Reservoir is an important part of Wichita's water supply, and it is vital that acceptable water quality be maintained in Cheney and the surrounding watershed. Suspended sediment, nutrients, pesticides and bacteria may have detrimental effects on reservoir water quality. Harmful effects to human health and aquatic organisms, decreased recreational value and increased drinking water treatment costs are potential results from poor water quality.

In 1996, the USGS and Wichita began a water quality investigation of Cheney Reservoir that has documented the interactions of inflows, in-reservoir processes, and water quality changes. Water quality monitors in place since 2001 provide real-time information about the conditions of water entering the reservoir via the North Fork Ninescah River and ultimately used for Wichita's municipal supply. In addition, these efforts serve to characterize and document the long-term quality changes with respect to Best Management Practices (BMP) implementation by the Cheney Lake Watershed Water Quality Project.

The proposed agreement will continue the operation of USGS water quality monitors and will document changes in water quality conditions in the North Fork Ninescah River and Cheney Reservoir. Wichita reduces its expenses for these efforts by participating in a Joint Funding Agreement through the USGS Cooperative Water Program (CWP).

Financial Consideration: The total value of this three-year agreement is \$509,300. The USGS will provide approximately 49% of the funds (\$249,488) to accomplish the work under this agreement. The City's cost is \$259,812. Funding for this agreement is available in the 2016 Adopted Budget for Water Production and Pumping, and will also be made available in the Proposed Budgets for 2017 and 2018.

Legal Considerations: The agreement has been reviewed and approved as to form by the Law Department.

Recommendations/Actions: It is recommended that the City Council approve the Joint Funding Agreement and authorize the necessary signatures.

Attachment: Joint Funding Agreement.

Form 9-1366
(April 2015)

**U.S. DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY**

JOINT FUNDING AGREEMENT

FOR

HYDROLOGIC INVESTIGATIONS

Customer #: 6000001375
Agreement #: 16C4KS002300000
Project #: SE00191
TIN #: 48-6000653
Fixed Cost Agreement YES

THIS AGREEMENT is entered into as of the, 1ST day of OCTOBER, 2015 by the U.S. GEOLOGICAL SURVEY, UNITED STATES DEPARTMENT OF THE INTERIOR, party of the first part, and the CITY OF WICHITA, party of the second part.

1. The parties hereto agree that subject to availability of appropriations and in accordance with their respective authorities there shall be maintained in cooperation WATER QUALITY CONDITIONS IN THE NORTH FORK NINNESCAH RIVER AND CHENEY RESERVOIR, SOUTH-CENTRAL KANSAS herein called the program. The USGS legal authority is 43 USC 36C; 43 USC 50; and 43 USC 50b.
2. The following amounts shall be contributed to cover all of the cost of the necessary field and analytical work directly related to this program. 2(b) includes In-Kind Services in the amount of \$0.00
 - (a) by the party of the first part during the period

Amount	Date	to	Date
\$249,488.00	OCTOBER 1, 2015		SEPTEMBER 30, 2018
 - (b) by the party of the second part during the period

Amount	Date	to	Date
\$259,812.00	OCTOBER 1, 2015		SEPTEMBER 30, 2018
 - (c) Contributions are provided by the party of the first part through other USGS regional or national programs, in the amount of: \$0.00

Description of the USGS regional/national program:
 - (d) Additional or reduced amounts by each party during the above period or succeeding periods as may be determined by mutual agreement and set forth in an exchange of letters between the parties.
 - (e) The performance period may be changed by mutual agreement and set forth in an exchange of letters between the parties.
3. The costs of this program may be paid by either party in conformity with the laws and regulations respectively governing each party.
4. The field and analytical work pertaining to this program shall be under the direction of or subject to periodic review by an authorized representative of the party of the first part.
5. The areas to be included in the program shall be determined by mutual agreement between the parties hereto or their authorized representatives. The methods employed in the field and office shall be those adopted by the party of the first part to insure the required standards of accuracy subject to modification by mutual agreement.
6. During the course of this program, all field and analytical work of either party pertaining to this program shall be open to the inspection of the other party, and if the work is not being carried on in a mutually satisfactory manner, either party may terminate this agreement upon 60 days written notice to the other party.

9-1366 (Continuation)

Customer #:

6000001375

Agreement #:

16C4KS002300000

7. The original records resulting from this program will be deposited in the office of origin of those records. Upon request, copies of the original records will be provided to the office of the other party.
8. The maps, records, or reports resulting from this program shall be made available to the public as promptly as possible. The maps, records, or reports normally will be published by the party of the first part. However, the party of the second part reserves the right to publish the results of this program and, if already published by the party of the first part shall, upon request, be furnished by the party of the first part, at costs, impressions suitable for purposes of reproduction similar to that for which the original copy was prepared. The maps, records, or reports published by either party shall contain a statement of the cooperative relations between the parties.
9. USGS will issue billings utilizing Department of the Interior Bill for Collection (form DI-1040). Billing documents are to be rendered QUARTERLY. Payments of bills are due within 60 days after the billing date. If not paid by the due date, interest will be charged at the current Treasury rate for each 30 day period, or portion thereof, that the payment is delayed beyond the due date. (31 USC 3717; Comptroller General File B-212222, August 23, 1983).

**U.S. Geological Survey
United States
Department of the Interior**

City of Wichita

USGS Point of Contact

Name: Jennifer Graham
Address: 4821 Quail Crest Place
Lawrence, KS 66049
Telephone: 785-832-3511
Email: jlgraham@usgs.gov

Customer Point of Contact


Name: Scott Macey
Address: 455 N Main Street, 8th Floor
Wichita, KS 67202
Telephone: 316-268-4342
Email: smacey@wichita.gov

Signatures and Date

Signature: 	Date: 9/29/15	Signature: _____	Date: _____
Name: Andrew C. Ziegler		Name: _____	
Title: Director, KS WSC		Title: _____	

ATTEST:

KAREN SUBLETT, CITY CLERK


for Jennifer Magaña, City Attorney and
Director of Law

City of Wichita
City Council Meeting
October 27, 2015

TO: Mayor and City Council

SUBJECT: Supplemental Design Agreement No. 1 for Fox Ridge Plaza Addition (District V)

INITIATED BY: Department of Public Works & Utilities

AGENDA: Consent

Recommendation: Approve Supplemental Design Agreement No. 1.

Background: On May 6, 2014, the City Council approved petitions for paving and stormwater sewer improvements to serve a new residential development located south of 37th Street North, east of Maize Road. On July 21, 2015, the City Council approved an agreement with MKEC Engineering, Inc. (MKEC), to provide design for improvements to Fox Ridge Plaza Addition.

Analysis: The projects are ready for the staking and inspection phases. Due to the current workload of City construction staff, a supplemental agreement has been prepared for MKEC to provide the additional services.

Financial Considerations: The original design services agreement was \$90,800. The cost of the additional services is \$114,500, which brings the total design fee to \$205,300. Funding is available within the existing budget, approved by the City Council on May 6, 2014, and is funded by special assessments.

Legal Considerations: Supplemental Design Agreement No. 1 has been reviewed and approved as to form by the Law Department.

Recommendation/Action: It is recommended that the City Council approve Supplemental Design Agreement No. 1 and authorize the necessary signatures.

Attachment: Supplemental Design Agreement No. 1.

SUPPLEMENTAL AGREEMENT NO. 1
TO THE
AGREEMENT FOR PROFESSIONAL SERVICES DATED JULY 28, 2015
BETWEEN
THE CITY OF WICHITA, KANSAS
PARTY OF THE FIRST PART, HEREINAFTER CALLED THE
"CITY"
AND
MKEC ENGINEERING, INC.
PARTY OF THE SECOND PART, HEREINAFTER CALLED THE
"ENGINEER"

WITNESSETH:

WHEREAS, there now exists an Agreement (dated July 28, 2015) between the two parties covering engineering services to be provided by the ENGINEER in conjunction with the construction of improvements to **FOX RIDGE PLAZA ADDITION**:

STORM WATER DRAIN NO. 394 serving Lots 1 through 8, Block 1, Fox Ridge Plaza Addition (north of 37th St N, east of Maize Rd) (Project No. 468-84953_751534).

LEFT TURN LANES ON MAIZE ROAD serving Lots 1 through 8, Block 1, Fox Ridge Plaza Addition (north of 37th St N, east of Maize Rd) (Project No. 472-85167_766337).

34th STREET NORTH serving Lots 1 through 8, Block 1, Fox Ridge Plaza Addition (south of 37th St N, east of Maize Rd) (Project No. 472-85166_766317).

WHEREAS, Paragraph IV. B. of the above referenced Agreement provides that additional work be performed and additional compensation be paid on the basis of a Supplemental Agreement duly entered into by the parties, and

WHEREAS, it is the desire of both parties that the ENGINEER provide additional services required for the PROJECT and receive additional compensation (as revised herein):

NOW THEREFORE, the parties hereto mutually agree as follows:

A. PROJECT DESCRIPTION

The description of the improvements that the CITY intends to construct and thereafter called the "PROJECT" as stated on page 1 of the above referenced agreement is hereby amended to include the following:

STAKING, INSPECTION & AS-BUILT
(as per the City of Wichita Standard Construction Engineering Practices)

B. PAYMENT PROVISIONS

The fee in Section IV. A. shall be amended to include the following:

Payment to the ENGINEER for the performance of the professional services as outlined in this supplemental agreement shall be made on the basis of the not to exceed fee as follows:

SWD 394 improvements (468-84953_751534)	\$50,800.00
Maize turn lane improvements (472-85167_766337):	\$21,800.00
34 th St. N. improvements (472-85166_766317):	\$41,900.00

TOTAL: \$114,500.00

C. COMPLETION

The ENGINEER agrees to complete and deliver the field notes, preliminary and final plans (including final tracings), specifications and estimates to the CITY within the time allotted for the project as stipulated below; EXCEPT that the ENGINEER shall not be responsible or held liable for delays occasioned by the actions or inactions of the CITY or other agencies, or for other unavoidable delays beyond the control of the ENGINEER.

- (a) Field check plans of the project for distribution to utilities by **COMPLETED**.
- (b) Office check plans by **COMPLETED**.
- (c) Completion of all work required by this agreement (including submittal of final approved plans, field notes, and related project documents by **September 30, 2015**.

D. PROVISIONS OF THE ORIGINAL AGREEMENT

The parties hereunto mutually agree that all provisions and requirements of the original Agreement, not specifically modified by this Supplemental Agreement, are hereby ratified and confirmed.

IN WITNESS WHEREOF, the CITY and the ENGINEER have executed this Supplemental Agreement as of this _____ day of _____, 2015.

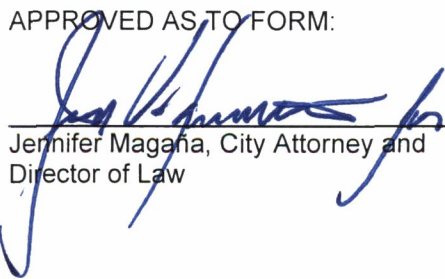
CITY OF WICHITA

Jeff Longwell, Mayor

ATTEST:

Karen Sublett, City Clerk

APPROVED AS TO FORM:



Jennifer Magaña, City Attorney and
Director of Law

MKEC ENGINEERING, INC.



Jason A. Gish, ASLA, Principal

City of Wichita
City Council Meeting
October 27, 2015

TO: Mayor and City Council Members

SUBJECT: Repair or Removal of Dangerous and Unsafe Structure
(District VI)

INITIATED BY: Metropolitan Area Building and Construction Department

AGENDA: Consent

Recommendations: Adopt the resolution scheduling a public hearing to consider condemnation of structures deemed dangerous and unsafe per Kansas State Statutes.

Background: On October 5, 2015, the Board of Building Code Standards and Appeals (BBCSA) conducted a hearing on the property listed below. The buildings on the property are considered dangerous and unsafe structures per State Statutes and local ordinances, and is being presented in order to schedule a condemnation hearing before the City Council. The BBCSA has recommended that the City Council proceed with condemnation, demolition and removal of the dangerous buildings on this property.

Analysis: Minimum Housing Code violation notices have been issued on the structure; however, compliance has not been achieved. Pre-condemnation and formal condemnation letters have also been issued, and the time granted for repair or removal has expired. No actions have been taken by the property owners and/or other interested parties to complete required building repairs or to remove the dangerous building.

Property Address

a. 1061 N. Waco (front and rear)

Council District

VI

Financial Considerations: Structures condemned as dangerous buildings are demolished with funds from the Metropolitan Area Building and Construction Department (MABCD) Special Revenue Fund contractual services budget, as approved annually by the City Council. This budget is supplemented by an annual allocation of Federal Community Development Block Grant funds for demolition of structures located within the designated Neighborhood Reinvestment Area. Expenditures for dangerous building condemnation and demolition activities are tracked to ensure that City Council Resolution No. R-95-560, which limits MABCD expenditures for non-revenue producing condemnation and housing code enforcement activities to twenty percent (20%) of MABCD's total annual budgeted Special Revenue Fund expenditures, is followed. Owners of condemned structures demolished by the City are billed for the contractual costs of demolition, plus an additional five hundred dollar (\$500) administrative fee. If the property owner fails to pay, these charges are recorded as a special property tax assessment against the property.

Legal Considerations: The Law Department has reviewed and approved the resolution as to form.

Recommendations/Actions: It is recommended that the City Council adopt the attached resolution to schedule a public hearing before the City Council on December 8, 2015 at 9:30 a.m. or soon thereafter, to consider condemnation of structures deemed dangerous and unsafe per Kansas State Statutes and local ordinances.

Attachments: Letter to Council, summary, and resolution.

GROUP # 2

NOTICE OF DEMOLITION ACTION

This is to certify that the property located at **1061 N. WACO AVE (FRONT AND REAR)** and legally described as: **LOT 922 AND 924, ON WACO AVENUE, WM. GREIFFENSTEIN'S 7TH ADDITION TO THE CITY OF WICHITA, KANSAS, SEDGWICK COUNTY, KANSAS**, is the subject of a demolition action by the City of Wichita, Kansas, under the provisions of Section 18.16 of the Code of the City of Wichita. Unless certain improvements to the structure(s) located thereon are commenced and completed by **December 8, 2015** such structures are subject to being demolished and the costs associated therewith charged, as a lien, against the above-described real property.

Thomas Stolz, Director, Metropolitan Area Building and Construction Department
City of Wichita

[illegible]

BE IT REMEMBERED, That on this _____ day of _____, 2015, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came Thomas Stolz, Director of Metropolitan Area Building and Construction Department, City of Wichita, personally known to me to be the same person who executed the within instrument of writing and such person duly acknowledged the execution of the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal; the day and year last above written.

Notary Public

My Appointment Expires:



TO: The Mayor and City Council
Wichita, Kansas

RE: Statement of Dangerous or Unsafe Structure

The following described structure is in a dangerous or unsafe condition:

(a) Description of Structure: A two story frame dwelling about 26 x 49 feet in size. Vacant for at least 7 months, this structure has a cracking block foundation; badly worn composition roof; rotted and missing wood lap siding; deteriorated front porch; deteriorated soffit and fascia; rotted wood trim; and the 20 x 20 foot accessory dwelling, 12x14 foot accessory garage and two 10x 14 foot accessory sheds are deteriorated.

(b) Street Address: 1061 N. WACO AVE (front and rear)

(c) Owners:

**Samuel T. Luinstra & Helen L. Luinstra,
Co-Trustees of Samuel T. Luinstra Living Trust & Samuel T. Luinstra
& Helen L. Luinstra, Co-Trustees of Helen L. Luinstra Living Trust &
Ernest Espinosa
POST ON PROPERTY**

**Samuel T. Luinstra & Helen L. Luinstra,
Co-Trustees of Samuel T. Luinstra Living Trust & Samuel T. Luinstra
& Helen L. Luinstra, Co-Trustees of Helen L. Luinstra Living Trust &
Ernest Espinosa
1545 Womer
Wichita, KS 67203**

(d) Resident Agent: None

(e) Occupant: None

(f) Lienholders of Record: None

(g) Mortgage Holder(s): None

(h) Interested Parties:

**Thai Thanh and Estelita D. Pham
1631 N. Waco
Wichita KS 67203**

DATE: October 5, 2015

CDM SUMMARY

COUNCIL DISTRICT # VI

ADDRESS: 1061 N. WACO AVE (front and rear)

LEGAL DESCRIPTION: LOT 922 AND 924, ON WACO AVENUE, WM. GREIFFENSTEIN'S 7TH ADDITION TO THE CITY OF WICHITA, KANSAS, SEDGWICK COUNTY, KANSAS

DESCRIPTION OF STRUCTURE: A two story frame dwelling about 26 x 49 feet in size. Vacant for at least 7 months, this structure has a cracking block foundation; badly worn composition roof; rotted and missing wood lap siding; deteriorated front porch; deteriorated soffit and fascia; rotted wood trim; and the 20 x 20 foot accessory dwelling, 12x14 foot accessory garage and two 10x 14 foot accessory sheds are deteriorated.

Description of dangerous or unsafe condition(s): The property is found to be dangerous and unsafe because of the following conditions:

- A. Those, which have been damaged by fire, wind, want of repair, or other causes so as to have become dangerous to life, safety, morals or the general health and welfare of the occupants or the people of the city.**
- B. The structure fails to provide the necessities to decent living, which makes it, unfit for human habitation.**
- C. Those whose use, equipment or want of good housekeeping constitutes a decided fire or safety hazard to the property itself or its occupants or which presents a decided fire or safety hazards to surrounding property or a menace to the public safety and general welfare.**

City Ordinance states that any one of the above categories is just cause to declare the building a public nuisance and shall be repaired or demolished.

Director of Metropolitan Area Building and Construction Department
Enforcing Officer

Date

PUBLISHED IN THE WICHITA EAGLE ON
RESOLUTION NO. _____

A RESOLUTION FIXING A TIME AND PLACE AND PROVIDING FOR NOTICE OF A HEARING BEFORE THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS, AT WHICH THE OWNER, HIS AGENT, LIENHOLDERS OF RECORD AND OCCUPANTS OF PROPERTY LEGALLY DESCRIBED AS: **LOT 922 AND 924, ON WACO AVENUE, WM. GREIFFENSTEIN'S 7TH ADDITION TO THE CITY OF WICHITA, KANSAS, SEDGWICK COUNTY, KANSAS COMMONLY KNOWN AS 1061 N. WACO AVE (FRONT AND REAR)** MAY APPEAR AND SHOW CAUSE WHY SUCH STRUCTURE SHOULD NOT BE CONDEMNED AND ORDERED REPAIRED OR DEMOLISHED AS A DANGEROUS STRUCTURE.

WHEREAS, the enforcing officer of the City of Wichita, Kansas, did on the **27th day of October 2015**, file with the governing body of said city, a statement in writing that certain structure(s), hereinafter described, is unsafe or dangerous.

NOW THEREFORE, be it Resolved by the Governing Body of the City of Wichita.

That a hearing will be held on the **8th day of December 2015**, before the governing body of the city at **9:30 A.M.**, or thereafter in the council chambers, City Hall at which time the owner, his agent, any lienholders of record or any occupant of property, legally described at LOT 922 AND 924, ON WACO AVENUE, WM. GREIFFENSTEIN'S 7TH ADDITION TO THE CITY OF WICHITA, KANSAS, SEDGWICK COUNTY, KANSAS, commonly known as: 1061 N. WACO AVE (front and rear), may appear and show cause why such structure should not be condemned as an unsafe or dangerous structure ordered repaired or demolished. The structure is A two story frame dwelling about 26 x 49 feet in size. Vacant for at least 7 months, this structure has a cracking block foundation; badly worn composition roof; rotted and missing wood lap siding; deteriorated front porch; deteriorated soffit and fascia; rotted wood trim; and the 20 x 20 foot accessory dwelling, 12x14 foot accessory garage and two 10x 14 foot accessory sheds are deteriorated.

Be it further resolved that the City Clerk shall cause this Resolution to be published and shall give notice of the aforesaid hearing in the manner provided by K.S.A. 12-1752.

Adopted this **27th day of October 2015**.

Jeff Longwell, Mayor

(SEAL)

ATTEST: _____
Karen Sublett, City Clerk

Approved as to form:

Jennifer L. Magana, City Attorney and Director of Law

OCA: 230200

**PUBLISHED IN THE WICHITA EAGLE ON October 30, 2015
RESOLUTION NO. 15-348**

A RESOLUTION FIXING A TIME AND PLACE AND PROVIDING FOR NOTICE OF A HEARING BEFORE THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS, AT WHICH THE OWNER, HIS AGENT, LIENHOLDERS OF RECORD AND OCCUPANTS OF PROPERTY LEGALLY DESCRIBED AS: **LOT 922 AND 924, ON WACO AVENUE, WM. GREIFFENSTEIN'S 7TH ADDITION TO THE CITY OF WICHITA, KANSAS, SEDGWICK COUNTY, KANSAS COMMONLY KNOWN AS 1061 N. WACO AVE (FRONT AND REAR)** MAY APPEAR AND SHOW CAUSE WHY SUCH STRUCTURE SHOULD NOT BE CONDEMNED AND ORDERED REPAIRED OR DEMOLISHED AS A DANGEROUS STRUCTURE.

WHEREAS, the enforcing officer of the City of Wichita, Kansas, did on the **27th day of October 2015**, file with the governing body of said city, a statement in writing that certain structure(s), hereinafter described, is unsafe or dangerous.

NOW THEREFORE, be it Resolved by the Governing Body of the City of Wichita.

That a hearing will be held on the **8th day of December 2015**, before the governing body of the city at **9:30 A.M.**, or thereafter in the council chambers, City Hall at which time the owner, his agent, any lienholders of record or any occupant of property, legally described at LOT 922 AND 924, ON WACO AVENUE, WM. GREIFFENSTEIN'S 7TH ADDITION TO THE CITY OF WICHITA, KANSAS, SEDGWICK COUNTY, KANSAS, commonly known as: 1061 N. WACO AVE (front and rear), may appear and show cause why such structure should not be condemned as an unsafe or dangerous structure ordered repaired or demolished. The structure is A two story frame dwelling about 26 x 49 feet in size. Vacant for at least 7 months, this structure has a cracking block foundation; badly worn composition roof; rotted and missing wood lap siding; deteriorated front porch; deteriorated soffit and fascia; rotted wood trim; and the 20 x 20 foot accessory dwelling, 12x14 foot accessory garage and two 10x 14 foot accessory sheds are deteriorated.

Be it further resolved that the City Clerk shall cause this Resolution to be published and shall give notice of the aforesaid hearing in the manner provided by K.S.A. 12-1752.

Adopted this **27th day of October 2015**.

Jeff Longwell, Mayor

(SEAL)

ATTEST: _____
Karen Sublett, City Clerk

Approved as to form:

Jennifer L. Magana, City Attorney and Director of Law



**DEPARTMENT OF LAW
INTEROFFICE MEMORANDUM**

TO: Karen Sublett, City Clerk
FROM: Jennifer L. Magana, City Attorney & Director of Law
SUBJECT: Report on Claims for September 2015
DATE: October 7, 2015

The following claims were approved by the Law Department during the month of September 2015.

American Family Insurance	\$2,645.27
AT&T	\$893.72
Flummerfelt, Roger	\$348.64
Hubbard, Janet	\$334.36
Laraby, Rebecca	\$2,362.00
Runyan, John	\$9,322.23*

*City Manager Approval

** Settled for lesser amount than claimed

***Settled for more than amount claimed

cc: Robert Layton, City Manager
Shawn Henning, Director of Finance

**City of Wichita
City Council Meeting
October 27, 2015**

TO: Mayor and City Council

SUBJECT: KDOT Safety Grant Bicycle Lights, Bells, and Reflectors Agreement
(All Districts)

INITIATED BY: Metropolitan Area Planning Department

AGENDA: Consent

Recommendation: Approve the grant agreement and authorize the necessary signatures.

Background: On February 5, 2013, the Wichita City Council endorsed the Wichita Bicycle Master Plan. The plan is a guide for how the City can make it easier, safer, and more convenient to get around the City on a bicycle through the provision of bicycle related infrastructure, policies, and programs. Plan Strategy 11 recommends that the City promote bicycle education and encouragement in Wichita through partnerships with community organizations and businesses.

On May 1, 2015, the Wichita City Council approved the submission of a grant application to the Kansas Department of Transportation (KDOT) for competitive traffic safety funding for the purchase and distribution of bicycle lights, reflectors and bells. On June 9, 2015, KDOT staff notified the City that the grant application was successful and provided a grant agreement for approval.

On September 28, 2015, KDOT staff contacted the City with an opportunity for additional KDOT safety funding to purchase and distribute bicycle lights, reflectors, bells and safety education materials.

Analysis: The grant will fund the purchase and distribution of additional bicycle lights, reflectors, bells and bicycle safety education materials in order to improve the safety of all roadway users. The lights and reflectors will make people bicycling more visible to people walking and driving. The bicycle bells will provide devices for people bicycling to make audible signals to make other roadway users aware of their presence.

The grant is a reimbursement program; all reimbursement requests must be submitted to KDOT by September 30, 2016, for the City to receive the grant funding. The KDOT staff have indicated that the National Highway Traffic Safety Administration (NHTSA) may provide a more comprehensive definition of educational versus promotional items this year. The clarification could impact the purchase of commodities like those identified in the proposed City of Wichita contract. KDOT staff have requested that grantees email them in advance of any commodity purchases to ensure that the purchases are an eligible expense.

Financial Considerations: KDOT grant funding agreement is for \$4,000, which is only available as a reimbursement for costs incurred by the City. The agreement proposes that \$750 would fund the creation, publication and distribution of printed educational materials; \$1,250 would fund the purchase of bicycle lights, reflectors and bicycle bells; and \$2,000 would fund the purchase of related advertising. KDOT does not allow indirect costs to be charged to the grant.

Legal Considerations: The Law Department has reviewed and approved the grant contract as to form.

Recommendations/Actions: It is recommended that the City Council approve the grant agreement and authorize the necessary signatures.

Attachment: KDOT Highway Safety Project Agreement

Highway Safety Project Detailed Plan

Kansas Department of Transportation, Traffic Safety Section
Eisenhower State Office Building, 700 SW Harrison St., Topeka KS 66603

Project Name: Wichita Street Safety Education - Lights and Bells

Section 1-Project Agency Information

1. Name of Project Agency: City of Wichita	2. Mailing Address (Street, City, State, Zip Code): 455 N. Main Street 10 th Floor Wichita, KS 67202
3. Name & Title of Agency Head: City of Wichita Mayor Jeff Longwell 4. Agency Head Phone: 316.268.4331 5. Agency Head Email: jlongwell@wichita.gov	6. Name & Title of Person Authorized to commit agency to contracts (Board of Directors Chair, City Manager, County Commission Chair, etc.): Jeff Longwell, Mayor of Wichita
7. Name of Project Contract Person: Scott Wadle 8. Contact's Phone: 316.352.4855 9. Contact's Cell Phone: 10. Contact's E-mail: swadle@wichita.gov 11. Contact's FAX:	12. *Preferred Payment Method: (Select one by clicking on the box) Check: <input type="checkbox"/> Direct Deposit: <input checked="" type="checkbox"/>
13. Alternate Address for KDOT checks (optional):	14. Name of Financial Contact Person (optional): Derek Slocum 15. Finance Telephone Number: 316.268.4445 16. Financial Email Address: dslocum@wichita.gov

FOR KDOT USE ONLY

Index: 0403 Project No. SP-1602-16 Contract No. PS-1132-16 *DUNS No. 043063460	Current Contract Period: (From/To): 10/01/2015 – 09/30/2016 Full Project Period: (From/To): 5/1/15 – 09/30/2016	*Clarification *Preferred Payment Method: If your agency does not now receive state payments by direct deposit, or you are not sure of its status, your financial staff must call the KDOT Federal Aid and Project Accounting Unit at (785) 296-3205 for help getting this process set up correctly. *DUNS No.: The DUNS # was originated by Dun and Bradstreet as a means of identifying every private and public entity on earth. It has been adopted by the federal government as the unique identifier for all entities receiving federal funds such as ours. The central financial office for your agency should know your number. *SAM Expiration Date: The System for Award Management (SAM) is a central registry the federal government has established on the Internet to record the DUNS # and other information about your agency. Your central financial office should know the date of their most recent registration in this system, or should do so if they haven't ever registered.
Fed. Awarding Agency: NHTSA Fed. Funding Source: 402 PS State Awarding Agency: N/A State Funding Source: N/A	Fed. Employer ID No. (FEIN) 48-6000653 Federal Award ID No. (FAIN) 18X9204020KS15 Fed. Award Date: 11/4/14	
Total Project Funds: \$4,000 Total Contract Funds: \$4,000 No. of Contract Years: 1	Agency Use: 5590 Budget Unit: 73021 CMS #: 035161132	
*System for Award Mgt. (SAM) Expiration Date: 09/17/16	Sub: Fund: 4100	
Research & Development Funds: N/A Indirect Cost Rate: N/A	CFDA: 20.600 State and Community Highway Safety (A)	
% Local Benefit: 100% Recipient Match Required: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, Amount:	Approved Budget Attached? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Other Information:	

Highway Safety Project Detailed Plan

Kansas Department of Transportation, Traffic Safety Section
Eisenhower State Office Building, 700 SW Harrison St., Topeka KS 66603

Section 2-Safety Issue & Proposed Action

17. Describe the traffic safety issue to be addressed (Problem Statement):

The traffic safety issues addressed by this project are:

- crashes involving motor vehicles and bicyclists
- crashes involving bicyclists and pedestrians.

In the four years from 2011 to 2014, there were 320 crashes involving motor vehicles and bicyclists. Between 2011 and 2014 there was one crash between a person bicycling and a person walking that resulted in hospitalization.

18. Describe the project intended to address these issues (The Proposed Solution):

The project will purchase and distribute free bicycle lights, bicycle bells, and educational materials in order to promote better compliance with Wichita City Code Section 11.48.09 (requiring lights or reflectors) and Section 11.48.160 (requiring audible signal before overtaking and passing a pedestrian).

19. Describe the expected outcomes, benefits, or results (Performance Objectives):

1. The number of bicycle and motor vehicle crashes will be reduced by 20 percent.
2. The number of bicycle and pedestrian crashes will be reduced to zero in 2015.

Highway Safety Project Detailed Plan

Kansas Department of Transportation, Traffic Safety Section
Eisenhower State Office Building, 700 SW Harrison St., Topeka KS 66603

Section 3-Budget

DIRECTIONS: Enter your specific Agency categories under each budget line item; then, enter budget costs based on 1-year, 2-year and 3-year projections as applicable. Provide a grand total to include all years provided for at the bottom.

Category and Line Item Descriptions	FFY 2016	FFY	FFY
<u>Personnel:</u>			
1. Staff hours to create educational materials for distribution with bells and lights	\$250		
2.			
3.			
4.			
5.			
Sub-Total			
<u>Commodities:</u>			
1. Purchase of bicycle: lights, bells, and reflectors	\$1,250		
2. Printing of educational materials for distribution	\$500		
3.			
4.			
Sub-Total			
<u>Contractual:</u>			
1.			
2.			
3.			
Sub-Total			
<u>Travel:</u>			
1.			
2.			
3.			
Sub-Total			
<u>Expense type:</u> Communications			
1. Purchase of advertising (bus, radio, social etc.)	\$2,000		
2.			
3.			
Subtotal			
Annual Totals:	\$4,000	\$	\$
GRAND TOTAL:	\$4,000		

City of Wichita
City Council Meeting
October 27, 2015

TO: Mayor and City Council
SUBJECT: Library Equipment and Software for PCI Compliance
INITIATED BY: Wichita Public Library
AGENDA: Consent



Recommendation: Approve the purchase.

Background: As of October 1, 2015, new Payment Card Industry (PCI) regulations for merchant management and processing of credit card transactions went into effect. While PCI compliance is not required by federal law, failure to remain PCI compliant is not without consequence. Liability for repayment of money fraudulently withdrawn or charged on a credit card account moves from the credit card company to a merchant found to be non-compliant. Penalties and fines also can be assessed, and credit card companies may begin charging a higher fee to process transactions. It is important for the Library to remain PCI compliant in order for the City to avoid liability issues and to continue to meet customer expectations of credit cards as a form of payment.

Analysis: Use of credit cards as a preferred method of payment for Library fees and fines continues to grow. To date in 2015, nearly one-third of all customer account payments have been made with credit cards.

The new regulations require that credit card terminals be public facing—eliminating the need for anyone but the customer to touch a credit card. This will require the Library to replace all of its current credit card hardware.

Polaris E-Commerce, the Library's current credit card processing and e-commerce solution has announced that it will no longer maintain PCI compliance. Therefore, in order to continue accepting credit card transactions, the Library also must implement a new e-commerce software solution. In addition to being PCI compliant, the e-commerce software must work with the Library's Integrated Library System (ILS) software. Envisionware, Inc., the provider of the Library's public computing workstation timing and print management system, is able to provide all of these necessary elements as hardware and software enhancements to its software already in use at the Library.

Financial Considerations: \$70,045 was added to the Library's 2015 Revised General Fund Budget to accommodate purchases relating to updating the department's PCI compliance. The total cost of the purchase from Envisionware, Inc. is \$61,814.

Remaining out of compliance would require the City to take on full responsibility for fraudulent credit card use at library locations. The potential liability would greatly exceed the cost of the project.

Legal Considerations: There is no specific or alternate licensing for the Envisionware e-commerce software. The purchase falls under the Library's existing end user license agreement and terms of service with Envisionware and Polaris. The purchase can be completed without a competitive selection process under City Code 2.62.020(g), the Council's approved purchasing policy for high technology items.

Recommendations/Actions: It is recommended that the City Council approve the purchase and authorize the necessary signatures.

Attachment(s): Envisionware, Inc. Software Quote

PRICE QUOTATION FOR WICHITA PUBLIC LIBRARY

(the “Library”) September 20, 2015 (the “Effective Date”) and

INNOVATIVE INTERFACES, INCORPORATED (UNITED STATES CUSTOMERS)

Product Number	Product Name	Type	Quantity	Total Contract Amount USD
ECS-SelfServ Bldg [1st]	ENVISIONWARE ECOMMERCE SERVICES - 1st building SOFTWARE for Web and Terminal based Self Check Out or software-based fine kiosk for Fine/Fee Payment and account re-value +Card Terminals optional	Add-On Product - [Envisionware Ecommerce]	1	\$4,395
ECS-SelfServ Bldg [Addl]	ENVISIONWARE ECOMMERCE SERVICES - Additional Building SOFTWARE for Web and Terminal-based Self Check Out or software-based fine/fee payment and account re-value +Card Terminals optional ITEM BELOW PROVIDES VERIFONE HOSTED PAYMENT PAGE FOR SECURE ONLINE PAYMENT OF FINES AND FEES	Add-On Product - [Envisionware Ecommerce Services]	7	\$3,465
ECS-SelfServ PW-WEB-M	SUBSCRIPTION (Monthly) WEB-based PAYware Connect Gateway with Secure Payment Page. 1000 transactions per month. **For each transaction over 1000, there will be a \$0.05 charge** ITEMS BELOW FOR STAFF POINT OF SALE STATIONS WITH POLARIS INTEGRATION AND CREDIT CARD TERMINALS	Subscription Year 1	1	\$180
ECS-Staff Register SW	ENVISIONWARE ECOMMERCE SERVICES STAFF REGISTER Software (STS) – Library Point of Sale software for integrated fine payment, account revalue, credit card processing and over-the-counter transactions. ++REQUIRES++ *ILS SIP2 **FOR CREDIT CARD TRANSACTIONS THE FOLLOWING ARE REQUIRED: *Purchase of any of the “ECS-TPS PS...” Payment Servers to enable credit card capabilities. * Credit Card Terminal	Add-On Product – [Envisionware Ecommerce Services]	25	\$24,875

<p>ECS-Staff System PW/E-WK915-M 1st</p> <p>ECS-Staff System PW/E-WK915-M 1st</p>	<p>SUBSCRIPTION (Monthly) PAYware GATEWAY Transactions, Interface , and TERMINAL for unlimited transactions / month on eTIM platform</p> <p>** Subscription for three (3) years. Full balance of term payable for early termination. ** ** Lead Time: 10 weeks</p>	Subscription Year 1	8	\$3,648
<p>ECS-Staff System PW/E-WK915-M Addl</p>	<p>SUBSCRIPTION (Monthly) Additional TERMINALS after First, eTIM platform (Annual subscription plans available)</p> <p>** Subscription term: 3-year commitment. Full balance of term payable for early termination. **</p> <p>** Lead Time: 10 weeks</p>	Subscription Year 1	17	\$7,752
<p>ECS-Staff System PW/E-WK915T HWTI</p>	<p>PAYMENT TERMINAL HARDWARE TRACKING ITEM (No Charge) VFMX915 Staff Credit Card Terminal</p> <p>** Lead Time: 10 weeks **</p> <p>Quantity represents total number of terminals being ordered. {Note: Item is not for purchase. Terminals available only under subscription defined in the subscription items.}</p>	Add-On Product - [Envisionware Ecommerce Payment Terminal]	25	\$0
<p>ECS-Staff Register CCP</p>	<p>ENVISIONWARE ECOMMERCE SERVICES Staff System -Credit Card Processing Activation Key, Licensed: Per Building ++REQUIRES++</p> <p>*Purchase of "ECS-STAFF Register SW" for each Staff Station/Register</p> <p>*Purchase of any of the "ECS-Staff System PW..." items for credit card transaction subscription.</p> <p>*Credit Card Terminal</p> <p>*ILS SIP2</p>	Add-On Product – [Envisionware Ecommerce Service]	8	\$400
<p>ECS-Stand 915 Desktop</p>	<p>TERMINAL STAND with rubber drip and adhesive pad for tilt/swivel mount of the VeriFone MX915 Terminal</p>	Add-On Product – [Envisionware Terminal Stand]	24	\$3,240

ECS-Staff System Enterprise	<p>ENVISIONWARE ECOMMERCE SERVICES Staff System – Enterprise Manager Software (STS) Base Package. Includes first 10 user licenses.</p> <p>Installation services – 2 days remote installation and training to setup test environment. 4 days onsite to complete the installation</p>	Add-On Product – [Envisionware Ecommerce Services]	21	\$4,795
PS-HR-CF-U	<p>ENVISIONWARE PROFESSIONAL SERVICES – Services are available at the hourly rate quoted and are billed according to actual time used.</p>	Add-On Services – [Envisionware Ecommerce Services]	48	\$7,200
PS-EXPFF-U 1st Day	<p>ENVISIONWARE PROFESSIONAL SERVICES – FLAT FEE FOR EXPENSES – First of Every Five Days Onsite. No partial days.</p>	Add-On Services – [Envisionware Ecommerce Services]	1	\$975
PS-EXPFF-U Additional Day	<p>ENVISIONWARE PROFESSIONAL SERVICES – FLAT FEE FOR EXPENSES – Additional Days After First. Maximum (4) additional days before an additional First day is required.</p>	Add-On Services – [Envisionware Ecommerce Services]	3	\$750

	Shipping Cost (FedEx Ground)	Shipping	1	\$139
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TOTAL CONTRACT AMOUNT: \$86,204
YEAR 1 CONTRACT VALUE: \$61,814

Product & Services Payment Terms: Unless otherwise agreed to by a separate written contract signed by Innovative and Library, the following payment terms and conditions apply to the products and services quoted above:

Subscription Renewal (“Subscription Renewal”): all fees payable within thirty (30) days of the date of receipt of an invoice from Innovative. The Subscription Product license associated with this renewal shall automatically terminate upon Library’s failure to make timely payment of monies owed to Innovative as agreed to by the Library.

AddOn Products (“AddOn Products”): all fees payable within thirty (30) days of the date of receipt of an invoice from Innovative. Library is hereby granted a limited, non-exclusive, non-transferable and non-sublicensable license to use the Add-On Products described in this quotation for library information systems operations. No other license, express or implied, is granted hereunder. This license shall automatically terminate upon Library’s failure to make timely payment of monies owed to Innovative as agreed to by the Library.

Additional Payment Terms (as applicable):

Third Party Software/Hardware: For product and services purchases which include Innovative providing third-party software or hardware products, payment terms for such software or hardware shall be the Product & Services Payment Terms above (as applicable), but Innovative reserves the right to require up to 100% of the cost of such products and services to be paid as of the Effective Date.

Travel and Other Expenses: Expenses incurred by Innovative in relation to the provision of the products and services above shall be payable by the Library within thirty (30) days of the date of receipt of an invoice from Innovative detailing such expenses.

Legal Terms & Conditions

1. The terms and conditions of this quotation constitute an offer by either Innovative Interfaces Incorporated or Innovative Interfaces Global Limited (as checked above, “Innovative”) to sell products and services to the Library, and if accepted by the Library, constitute a legally-binding obligation by the Library to purchase such products and services. Acceptance of this quotation by the Library may be completed by Library’s signature of this quotation as provided below; issuance of a purchase order; or any form of acceptance otherwise recognized by applicable law. The terms and conditions of this quotation are valid for 45 days, and if not accepted by the Library within said time period, shall be deemed automatically revoked.
2. Taxes are not included in the quoted prices but, if applicable, may be charged by Innovative at point of invoicing.
3. Except as otherwise specified, all prices are in US Dollars.
4. Unless otherwise specified in this quotation, payment terms for the products and services herein are net thirty (30) days from the invoice date.
5. The terms and conditions of this quotation may be rejected, modified or superseded only by a written agreement signed by Innovative specifying the rejection, modification or supersession of the terms and conditions.
6. Payment for a L&M New Installation Product constitutes pre-payment for license and maintenance for the 12 months following the completion of data load to the purchased product.
7. Payment for a Subscription New Installation Product constitutes pre-payment for subscription for the 12 months following the Effective Date.

8. L&M or Subscription Products are for twelve (12) month terms, and automatically renew for 12 month terms following the expiration of the initial product term. The Library may cancel a L&M or Subscription Product only by notifying Innovative in writing of its intention not to renew at least ninety (90) days prior to the expiration of the current term. Payment for L&M or Subscription Renewal periods are prepaid, and must be received by Innovative at least thirty (30) days in advance of the new renewal period. Payment for any prorated portion of a L&M or Subscription Renewal period is due to Innovative within thirty (30) days of the date of receipt of an invoice from Innovative for the pro-rated term. Pricing for all L&M or Subscription Renewals are subject to increase by Innovative.
9. If delivery or installation of any products or services to the Library under this quotation is postponed at the Library's request until a date more than six (6) months after the Effective Date, the Library will be invoiced the full amount of the purchase order on the date six (6) months after the Effective Date, in advance of delivery or installation of any products or services under this quotation.
10. If Library fails to pay Innovative any sums due under this quotation on a timely basis, Innovative reserves the right to discontinue maintenance, subscription and/or hosting services, as applicable, until Library fully pays to Innovative all sums due to Innovative.
11. Innovative hereby disclaims any warranties, express or implied, with respect to the products and services described in this quotation, including warranties of non-infringement, merchantability or fitness for a particular purpose. Innovative shall not be liable for any indirect, incidental or consequential losses or damages related to this quotation. In no event will Innovative's aggregate cumulative liability for any claims arising out of or related to this quotation exceed the amounts then paid by the Library for the products and services described in this quotation.
12. Subject to Section 7 above, the terms and conditions of this quotation supersede any understandings, agreements or representations, express or implied, oral or written, between the Library and Innovative.
13. Innovative' delivery of products and services under this quotation are conditional upon the Library's credit worthiness, and Innovative reserves the right to require, before any contractual performance by Innovative, to require Library to put in place a letter of credit or other form of payment security, in order to secure payments due from Library.
14. The provisions of Exhibit A are incorporated by reference into this quotation and supersede any contrary provision.



Maruta Skujina
Customer Sales Consultant
mskujina@iii.com

9/21/2015

X

Customer signature

Library Name
Library Title

Date:

**City of Wichita
City Council Meeting
October 27, 2015**

TO: Mayor and City Council

SUBJECT: Over-Estimate Bid and Funding for Improvements to Douglas Bridge at Linden (District II)

INITIATED BY: Department of Public Works & Utilities

AGENDA: Consent

Recommendation: Approve acceptance of the lowest bid, waive City Council Policy No. 2 regarding the use of project savings to allow transfer of funds, approve the revised budgets and adopt the amending resolutions.

Background: On December 17, 2013, the City Council approved a design concept for improvements to the Douglas Bridge at Linden. On June 16, 2015, the City Council approved a revised budget of \$1,557,957 for the improvements. The project was bid for construction on October 2, 2015, with all bids exceeding the Engineer's Estimate.

Analysis: Improvements consist of replacing the existing structure with a new reinforced concrete box bridge, and the addition of new six-foot sidewalks along the north and south sides of the bridge. The design also includes space for possible bike lanes along Douglas Avenue per the Wichita Master Bicycle Plan. One lane of traffic will be carried in each direction during construction. Construction is expected to be completed by late 2015.

The low bid received for the project exceeded the Engineer's Estimate by more than \$119,000. Accepting this bid will allow the project to proceed without requiring it to be re-bid, thus eliminating a potential increase in the cost and delay in construction of the improvements. In accordance with Charter Ordinance No. 222, staff recommends the City Council approve acceptance of the lowest bid based on the best interest of the City. A revised estimate has been prepared to reflect the increased cost of constructing the improvements.

Financial Considerations: The existing budget of \$1,557,957, was approved by the City Council on June 16, 2015. Due to the over-bid estimate, staff proposes adding an additional \$200,000 in general obligation (GO) bond funding, for potential construction overage costs and City staff administration and oversight costs. The GO funding is available for transfer from the 37th Street and Hillside and Old Lawrence Road Bridge projects. The \$120,000 from 37th Street and Hillside, and \$80,000 from Old Lawrence Road Bridge, are offsets in GO bond funding available due to lower than anticipated bid prices. Staff requests waiver of City Council Policy No. 2 regarding the use of project savings to allow this transfer of funds. The total revised project budget would be \$1,757,957.

Project Budget Detail

Existing Approved Budget	
Funding Source	Amount
General Obligation Bonds	\$975,000
Federal Grants	\$582,957
Total Existing Financing Amount	\$1,557,957

Proposed Budget	
Funding Source	Amount
General Obligation Bonds (increase \$200,000)	\$1,175,000
Federal Grants	\$582,957
Total Revised Financing Amount	\$1,757,957

Legal Considerations: The Law Department has reviewed and approved the amending resolutions as to form.

Recommendations/Actions: It is recommended that the City Council approve acceptance of the lowest bid, waive City Council Policy No. 2 regarding the use of project savings to allow transfer of funds, approve the revised budgets, adopt the amending resolutions and authorize the necessary signatures.

Attachments: Bid Summary, amending resolutions, budget sheets.

Project Request

☒ CIP ☐ Non-CIP

CIP YEAR:

2015

CIP #:

☐ NEIGHBORHOOD IMPROVEMENT

DEPARTMENT: 13 Public Works & Utilities

DIVISION: Engineering

RESOLUTION/ORDINANCE #:

FUND: 400 Street Improvements

SUBFUND: 415 Bridges

ENGINEERING REFERENCE #: 472-85119

COUNCIL DISTRICT: 02 Council District 2

DATE COUNCIL APPROVED: 10-27-15

REQUEST DATE:

PROJECT #: 249147

PROJECT TITLE: Douglas Bridge at Linden

PROJECT DETAIL #: 01

PROJECT DETAIL DESCRIPTION: Douglas Bridge at Linden

OCA #: 715731

OCA TITLE: Douglas Bridge at Linden

PERSON COMPLETING FORM: Jennifer Peterson

PHONE #: 268-4548

PROJECT MANAGER: Tim Davidson

PHONE #: 268-4455

☐ NEW BUDGET

☒ REVISED BUDGET

Revenue Object Level 3

Original Budget

Adjustment

New Budget

9720 G.O. Bonds	\$975,000.00	\$200,000.00	\$1,175,000.00
8000 Federal	\$582,957.00	\$0.00	\$582,957.00
	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00
	\$1,557,957.00	\$200,000.00	\$1,757,957.00

Expense Object Level 3

2999 Contractuals	\$1,557,957.00	\$200,000.00	\$1,757,957.00
	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00
Total Expense:	\$1,557,957.00	\$200,000.00	\$1,757,957.00

NOTES:

SIGNATURES REQUIRED

DIVISION HEAD:

DEPARTMENT HEAD:

BUDGET OFFICER:

CITY MANAGER:

Print Form

DATE:

DATE:

DATE:

DATE:

Project Request

☒ CIP ☐ Non-CIP

CIP YEAR:

2015

CIP #:

☐ NEIGHBORHOOD IMPROVEMENT

DEPARTMENT: 13 Public Works & Utilities

DIVISION: Engineering

RESOLUTION/ORDINANCE #:

ENGINEERING REFERENCE #: 472-85116

FUND: 400 Street Improvements

SUBFUND: 415 Bridges

COUNCIL DISTRICT: 06 Council District 6

DATE COUNCIL APPROVED: 10-27-15

REQUEST DATE:

PROJECT #: 249145

PROJECT TITLE: Old Lawrence Rd Bridge

PROJECT DETAIL #: 01

PROJECT DETAIL DESCRIPTION: Old Lawrence Rd Bridge

OCA #: 715729

OCA TITLE: Old Lawrence Rd Bridge

PERSON COMPLETING FORM: Jennifer Peterson

PHONE #: 268-4548

PROJECT MANAGER: Tim Davidson

PHONE #: 268-4455

☐ NEW BUDGET

☒ REVISED BUDGET

Revenue Object Level 3

Original Budget

Adjustment

New Budget

9720 G.O. Bonds

\$275,000.00

(\$80,000.00)

\$195,000.00

8000 Federal

\$320,000.00

\$0.00

\$320,000.00

\$0.00

\$0.00

\$0.00

\$0.00

\$0.00

\$0.00

\$595,000.00

(\$80,000.00)

\$515,000.00

Expense Object Level 3

2999 Contractuals

\$595,000.00

(\$80,000.00)

\$515,000.00

\$0.00

\$0.00

\$0.00

\$0.00

\$0.00

\$0.00

\$0.00

\$0.00

\$0.00

Total Expense:

\$595,000.00

(\$80,000.00)

\$515,000.00

NOTES:

SIGNATURES REQUIRED

DIVISION HEAD:

DEPARTMENT HEAD:

BUDGET OFFICER:

CITY MANAGER:

Print Form

DATE:

DATE:

DATE:

DATE:

Project Request

☐ CIP ☒ Non-CIP

☐ NEIGHBORHOOD IMPROVEMENT

DEPARTMENT: 13 Public Works & Utilities

DIVISION: Engineering

RESOLUTION/ORDINANCE #: _____

FUND: 400 Street Improvements

SUBFUND: 405 Arterial Paving

ENGINEERING REFERENCE #: 472-85161

COUNCIL DISTRICT: 01 Council District 1

DATE COUNCIL APPROVED: 10-27-15

REQUEST DATE: _____

PROJECT #: 211532

PROJECT TITLE: 37th & Hillside Intersection

PROJECT DETAIL #: 01

PROJECT DETAIL DESCRIPTION: 37th & Hillside Intersection

OCA #: 707068

OCA TITLE: 37th & Hillside Intersection

PERSON COMPLETING FORM: Jennifer Peterson

PHONE #: 268-4548

PROJECT MANAGER: Tim Davidson

PHONE #: 268-4455

☐ NEW BUDGET ☒ REVISED BUDGET

Revenue Object Level 3

Revenue Object Level 3	Original Budget	Adjustment	New Budget
9720 G.O. Bonds	\$1,045,000.00	(\$120,000.00)	\$925,000.00
	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00
	\$1,045,000.00	(\$120,000.00)	\$925,000.00

Expense Object Level 3

2999 Contractuals	\$1,045,000.00	(\$120,000.00)	\$925,000.00
	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00
Total Expense:	\$1,045,000.00	(\$120,000.00)	\$925,000.00

NOTES:

SIGNATURES REQUIRED

DIVISION HEAD: _____

DEPARTMENT HEAD: _____

BUDGET OFFICER: _____

CITY MANAGER: _____

Print Form

DATE: 10/08/15

DATE: 10/13/15

DATE: _____

DATE: _____

PAVING BID TABULATION SUMMARY

RQ540980

FB540162		Engineer's Construction Estimate	Wildcat Construction Co. Inc.	Barkley Construction	Cornejo & Sons, LLC
Douglas Avenue Bridge Replacement		\$1,339,352.00	\$1,458,668.00		
(Douglas Avenue, East Branch Gypsum Creek)	BID BOND		X		
	ADDENDA	4	X		
87N-0611-01/472-85119 (715731)					
		Engineer's Construction Estimate	Dondlinger & Sons	Kansas Paving Company	
Douglas Avenue Bridge Replacement		\$1,339,352.00			
(Douglas Avenue, East Branch Gypsum Creek)	BID BOND				
	ADDENDA	4			
87N-0611-01/472-85119 (715731)					
		Engineer's Construction Estimate			
Douglas Avenue Bridge Replacement		\$1,339,352.00			
(Douglas Avenue, East Branch Gypsum Creek)	BID BOND				
	ADDENDA	4			
87N-0611-01/472-85119 (715731)					
		Engineer's Construction Estimate			
Douglas Avenue Bridge Replacement		\$1,339,352.00			
(Douglas Avenue, East Branch Gypsum Creek)	BID BOND				
	ADDENDA	4			
87N-0611-01/472-85119 (715731)					
Award 10-27-15 subject to City Council approval of new Engineer's Estimate \$1,458,668.00 and budget authorization.					

CHECKED BY: _____

REVIEWED BY: _____

RESOLUTION NO. ____ - ____

A RESOLUTION AMENDING RESOLUTION NO. 15-176 SUPPLEMENTING THE PROJECT AUTHORIZED BY RESOLUTION NO. 15-097, ORDINANCE NO. 49-576 AND ORDINANCE NO. 49-659 OF THE CITY OF WICHITA, KANSAS, AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE CITY OF WICHITA, KANSAS TO PAY THE COSTS OF CERTAIN PUBLIC IMPROVEMENTS IN THE CITY.

WHEREAS, the City of Wichita, Kansas (the "City") is a municipal corporation, duly created, organized and existing under the Constitution and laws of the State; and

WHEREAS, the Governing Body is authorized, pursuant to K.S.A. 13-1024c, as amended by Charter Ordinance No. 156 of the City (the "Act") to issue general obligation bonds of the City without an election for the purpose of paying for the construction, purchase or improvement of any public improvement, including the land necessary therefore, and for the purpose of rebuilding, adding to or extending the same as the necessities of the City may require and for the purpose of paying for certain personal property therefore; and

WHEREAS, the Governing Body has heretofore by **Resolution No. 15-176** of the City (the "Prior Resolution"), authorized the following described public improvements:

Design, acquisition of right-of-way, utility relocation and construction of improvements to Douglas Bridge at Linden (472-85119)

(the "Project") and provided authorization for the payment of all or a portion of the costs thereof by the issuance of general obligation bonds of the City pursuant to the Act; and

WHEREAS, certain design and right of way acquisition costs of the Project have been previously authorized pursuant to **Ordinance No. 49-576, Ordinance No. 49-659 and Resolution No. 15-097** and the Prior resolution and this Resolution are intended to supplement those Ordinances and to authorize additional improvements and expenditures as a part of the Project pursuant to the Act.

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS, AS FOLLOWS:

Section 1. Amendment. *Section 1* of the Prior Resolution is hereby amended to read as follows:

Section 1. Amendment. *Sections 1 and 2* of Resolution No. 15-097 of the City are hereby amended to read as follows:

Section 1. Project Authorization. It is hereby authorized ordered and directed that the Project be acquired and/or constructed at an estimated cost of **\$1,757,957, inclusive of the amounts previously authorized by Ordinance No. 49-576, Ordinance No. 49-659, Resolution No. 15-097 and Resolution No. 15-176**, in accordance with the plans and specifications therefor prepared under the direction of the City Engineer and approved by the Governing Body; said plans and specifications to be placed on file in the office of the City Engineer.

Section 2. Project Financing. All or portion of the costs of the Project, interest on financing and administrative and financing costs shall be financed with the proceeds of general obligation bonds of the City (the "Bonds"). The Bonds may be issued to reimburse expenditures made on or after the date which was: 60 days before the date of adoption of **Ordinance No. 49-576** to the extent of Bonds authorized thereunder; 60 days before the date of adoption of **Ordinance No. 49-659** to the extent of the increased authorization contained therein; 60 days before the date of adoption of **Resolution No. 15-097** to the extent of increased authorization contained therein; 60 days before the date of adoption of **Resolution No. 15-176** to the extent of the increased authorization contained therein; and, 60 days before the date of this Resolution, to the extent of the increased authorization contained herein, all pursuant to Treasury Regulation §1.150-2.

Section 2. Repealer; Ratification. *Sections 1 and 2* of the Prior Resolution is hereby repealed; and the rest and remainder thereof is hereby ratified and confirmed.

Section 3. Effective Date. This Resolution shall be in full force and effect from and after its adoption by the Governing body.

ADOPTED by the City Council of the City of Wichita, Kansas, on _____.

JEFF LONGWELL, MAYOR

ATTEST:

KAREN SUBLETT, CITY CLERK

(SEAL)

APPROVED AS TO FORM:

Brian K. M. Ford
for JENNIFER MAGAÑA, DIRECTOR OF LAW

RESOLUTION NO. ____ - ____

A RESOLUTION AMENDING AND SUPPLEMENTING RESOLUTION NO. 14-177 OF THE CITY OF WICHITA, KANSAS WHICH AUTHORIZED THE ISSUANCE OF GENERAL OBLIGATION BONDS TO PAY THE COSTS OF CERTAIN PUBLIC IMPROVEMENTS IN THE CITY.

WHEREAS, the City of Wichita, Kansas (the "City") is a municipal corporation, duly created, organized and existing under the Constitution and laws of the State; and

WHEREAS, the Governing Body is authorized, pursuant to K.S.A. 13-1024c, as amended by Charter Ordinance No. 156 of the City (the "Act") to issue general obligation bonds of the City without an election for the purpose of paying for the construction, purchase or improvement of any public improvement, including the land necessary therefore, and for the purpose of rebuilding, adding to or extending the same as the necessities of the City may require and for the purpose of paying for certain personal property therefore; and

WHEREAS, the Governing Body has heretofore by **Resolution No. 14-177** of the City (the "Prior Resolution"), authorized the following described public improvements:

Design, acquisition of right-of-way, and construction of improvements to the Old Lawrence Road Bridge (472-85116)

(the "Project") and to provide for the payment of all or a portion of the costs thereof by the issuance of general obligation bonds of the City pursuant to the Act.

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS, AS FOLLOWS:

Section 1. Amendment. *Sections 1 and 2* of the Prior Resolution are hereby amended to read as follows:

Section 1. Project Authorization. It is hereby authorized, ordered and directed that the Project be acquired and/or constructed at an estimated cost of **\$515,000** in accordance with specifications prepared or approved by the City Engineer.

Section 2. Project Financing. All or a portion of the costs of the Project, interest on financing and administrative and financing costs shall be financed with the proceeds of general obligation bonds of the City (the "Bonds"). The Bonds may be issued to reimburse expenditures made on or after the date which is **60 days prior to the August 27, 2013, adoption of Ordinance No. 49-563, to the extent of Bonds authorized thereunder, 60 days prior to the February 11, 2014, adoption of Ordinance No. 49-664, to the extent of Bonds authorized thereunder, and 60 days prior to the July 8, 2014, adoption of Resolution No. 14-177, to the extent of the additional authorization contained therein (as subsequently reduced by this amendment), all pursuant to Treasury Regulation §1.150-2.**

Section 2. Repealer; Ratification. *Sections 1 and 2* of the Prior Resolution are hereby repealed; and the rest and remainder thereof is hereby ratified and confirmed.

Section 3. Effective Date. This Resolution shall be in full force and effect from and after its adoption by the Governing Body.

ADOPTED by the City Council of the City of Wichita, Kansas, on _____.

(SEAL)

Jeff Longwell, Mayor

ATTEST:

Karen Sublett, City Clerk

APPROVED AS TO FORM:

Jennifer Magaña
for Jennifer Magaña, City Attorney and Director of Law

RESOLUTION NO. ____ - _____

A RESOLUTION AMENDING AND SUPPLEMENTING RESOLUTION NO. 15-101 AND RESOLUTION NO. 14-195 OF THE CITY OF WICHITA, KANSAS WHICH AUTHORIZED THE ISSUANCE OF GENERAL OBLIGATION BONDS TO PAY THE COSTS OF CERTAIN PUBLIC IMPROVEMENTS IN THE CITY.

WHEREAS, the City of Wichita, Kansas (the "City") is a municipal corporation, duly created, organized and existing under the Constitution and laws of the State; and

WHEREAS, the Governing Body is authorized, pursuant to K.S.A. 13-1024c, as amended by Charter Ordinance No. 156 of the City (the "Act") to issue general obligation bonds of the City without an election for the purpose of paying for the construction, purchase or improvement of any public improvement, including the land necessary therefore, and for the purpose of rebuilding, adding to or extending the same as the necessities of the City may require and for the purpose of paying for certain personal property therefore; and

WHEREAS, the Governing Body has heretofore by Resolution No. 14-195 of the City, as amended and supplemented by **Resolution No. 15-101** of the City, authorized the following described public improvements:

The design, acquisition of right-of-way, utility relocation and construction necessary for the intersection of 37th Street North and Hillside (472-85161).

(the "Project") and to provide for the payment of all or a portion of the costs thereof by the issuance of general obligation bonds of the City pursuant to the Act.

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS, AS FOLLOWS:

Section 1. Amendment of Resolution No. 15-101. *Section 1* of Resolution No. 15-101 of the City is hereby amended to read as follows:

Section 1. Section 1 of Resolution No. 14-195 of the City is hereby amended to read as follows:

Section 1. Project Authorization. It is hereby authorized, ordered and directed that the Project be acquired and/or constructed at an estimated cost of **\$925,000** in accordance with specifications prepared or approved by the City Engineer.

Section 2. Amendment of Resolution No. 14-195. *Section 2* of Resolution No. 14-195 is hereby amended to read as follows:

Section 2. Project Financing. All or a portion of the costs of the Project, interest on financing and administrative and financing costs shall be financed with the proceeds of general obligation bonds of the City (the "Bonds"). The Bonds may be issued to reimburse expenditures made on or after the date which is **60 days prior to the July 15, 2014, adoption of Resolution No. 14-195, to the extent of Bonds authorized thereunder, and 60 days prior to the April 21, 2015, adoption of Resolution No. 15-101, to the extent of the additional authorization contained therein (as reduced by this subsequent amendment), all pursuant to Treasury Regulation §1.150-2.**

Section 3. Repealer; Ratification. *Section 1 of Resolution No. 15-101 of the City and Section 2 of Resolution No. 14-195 of the City* are hereby repealed and replaced with the amended versions set forth above; and the rest and remainder thereof are hereby ratified and confirmed.

Section 4. Effective Date. This Resolution shall be in full force and effect from and after its adoption by the Governing Body.

ADOPTED by the City Council of the City of Wichita, Kansas, on _____.

(SEAL)

Jeff Longwell, Mayor

ATTEST:

Karen Sublett, City Clerk

APPROVED AS TO FORM:

Brian K. Magaña
for Jennifer Magaña, City Attorney and Director of Law

RESOLUTION NO. 15-349

A RESOLUTION AMENDING AND SUPPLEMENTING RESOLUTION NO. 14-177 OF THE CITY OF WICHITA, KANSAS WHICH AUTHORIZED THE ISSUANCE OF GENERAL OBLIGATION BONDS TO PAY THE COSTS OF CERTAIN PUBLIC IMPROVEMENTS IN THE CITY.

WHEREAS, the City of Wichita, Kansas (the “City”) is a municipal corporation, duly created, organized and existing under the Constitution and laws of the State; and

WHEREAS, the Governing Body is authorized, pursuant to K.S.A. 13-1024c, as amended by Charter Ordinance No. 156 of the City (the “Act”) to issue general obligation bonds of the City without an election for the purpose of paying for the construction, purchase or improvement of any public improvement, including the land necessary therefore, and for the purpose of rebuilding, adding to or extending the same as the necessities of the City may require and for the purpose of paying for certain personal property therefore; and

WHEREAS, the Governing Body has heretofore by **Resolution No. 14-177** of the City (the “Prior Resolution”), authorized the following described public improvements:

Design, acquisition of right-of-way, and construction of improvements to the Old Lawrence Road Bridge (472-85116)

(the “Project”) and to provide for the payment of all or a portion of the costs thereof by the issuance of general obligation bonds of the City pursuant to the Act.

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS, AS FOLLOWS:

Section 1. Amendment. *Sections 1 and 2* of the Prior Resolution are hereby amended to read as follows:

Section 1. Project Authorization. It is hereby authorized, ordered and directed that the Project be acquired and/or constructed at an estimated cost of **\$515,000** in accordance with specifications prepared or approved by the City Engineer.

Section 2. Project Financing. All or a portion of the costs of the Project, interest on financing and administrative and financing costs shall be financed with the proceeds of general obligation bonds of the City (the “Bonds”). The Bonds may be issued to reimburse expenditures made on or after the date which is **60 days prior to the August 27, 2013, adoption of Ordinance No. 49-563, to the extent of Bonds authorized thereunder, 60 days prior to the February 11, 2014, adoption of Ordinance No. 49-664, to the extent of Bonds authorized thereunder, and 60 days prior to the July 8, 2014, adoption of Resolution No. 14-177**, to the extent of the additional authorization contained therein (as subsequently reduced by this amendment), all pursuant to Treasury Regulation §1.150-2.

Section 2. Repealer; Ratification. *Sections 1 and 2* of the Prior Resolution are hereby repealed; and the rest and remainder thereof is hereby ratified and confirmed.

Section 3. Effective Date. This Resolution shall be in full force and effect from and after its adoption by the Governing Body.

ADOPTED by the City Council of the City of Wichita, Kansas, on October 27, 2015.

(SEAL)

Jeff Longwell, Mayor

ATTEST:

Karen Sublett, City Clerk

APPROVED AS TO FORM:

Jennifer Magaña, City Attorney and Director of Law

RESOLUTION NO. 15-350

A RESOLUTION AMENDING RESOLUTION NO. 15-176 SUPPLEMENTING THE PROJECT AUTHORIZED BY RESOLUTION NO. 15-097, ORDINANCE NO. 49-576 AND ORDINANCE NO. 49-659 OF THE CITY OF WICHITA, KANSAS, AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE CITY OF WICHITA, KANSAS TO PAY THE COSTS OF CERTAIN PUBLIC IMPROVEMENTS IN THE CITY.

WHEREAS, the City of Wichita, Kansas (the “City”) is a municipal corporation, duly created, organized and existing under the Constitution and laws of the State; and

WHEREAS, the Governing Body is authorized, pursuant to K.S.A. 13-1024c, as amended by Charter Ordinance No. 156 of the City (the “Act”) to issue general obligation bonds of the City without an election for the purpose of paying for the construction, purchase or improvement of any public improvement, including the land necessary therefore, and for the purpose of rebuilding, adding to or extending the same as the necessities of the City may require and for the purpose of paying for certain personal property therefore; and

WHEREAS, the Governing Body has heretofore by **Resolution No. 15-176** of the City (the “Prior Resolution”), authorized the following described public improvements:

Design, acquisition of right-of-way, utility relocation and construction of improvements to Douglas Bridge at Linden (472-85119)

(the “Project”) and provided authorization for the payment of all or a portion of the costs thereof by the issuance of general obligation bonds of the City pursuant to the Act; and

WHEREAS, certain design and right of way acquisition costs of the Project have been previously authorized pursuant to **Ordinance No. 49-576**, **Ordinance No. 49-659** and **Resolution No. 15-097** and the Prior resolution and this Resolution are intended to supplement those Ordinances and to authorize additional improvements and expenditures as a part of the Project pursuant to the Act.

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS, AS FOLLOWS:

Section 1. Amendment. *Section 1* of the Prior Resolution is hereby amended to read as follows:

Section 1. Amendment. *Sections 1 and 2* of Resolution No. 15-097 of the City are hereby amended to read as follows:

Section 1. Project Authorization. It is hereby authorized ordered and directed that the Project be acquired and/or constructed at an estimated cost of **\$1,757,957, inclusive of the amounts previously authorized by Ordinance No. 49-576, Ordinance No. 49-659, Resolution No. 15-097 and Resolution No. 15-176**, in accordance with the plans and specifications therefor prepared under the direction of the City Engineer and approved by the Governing Body; said plans and specifications to be placed on file in the office of the City Engineer.

Section 2. Project Financing. All or portion of the costs of the Project, interest on financing and administrative and financing costs shall be financed with the proceeds of general obligation bonds of the City (the “Bonds”). The Bonds may be issued to reimburse expenditures made on or after the date which was: 60 days before the date of adoption of **Ordinance No. 49-576** to the extent of Bonds authorized thereunder; 60 days before the date of adoption of **Ordinance No. 49-659** to the extent of the increased authorization contained therein; 60 days before the date of adoption of **Resolution No. 15-097** to the extent of increased authorization contained therein; 60 days before the date of adoption of **Resolution No. 15-176** to the extent of the increased authorization contained therein; and, 60 days before the date of this Resolution, to the extent of the increased authorization contained herein, all pursuant to Treasury Regulation §1.150-2.

Section 2. Repealer; Ratification. *Sections 1 and 2* of the Prior Resolution is hereby repealed; and the rest and remainder thereof is hereby ratified and confirmed.

Section 3. Effective Date. This Resolution shall be in full force and effect from and after its adoption by the Governing body.

ADOPTED by the City Council of the City of Wichita, Kansas, on October 27, 2015.

JEFF LONGWELL, MAYOR

ATTEST:

KAREN SUBLETT, CITY CLERK

(SEAL)

APPROVED AS TO FORM:

JENNIFER MAGAÑA, DIRECTOR OF LAW

RESOLUTION NO. 15-351

A RESOLUTION AMENDING AND SUPPLEMENTING RESOLUTION NO. 15-101 AND RESOLUTION NO. 14-195 OF THE CITY OF WICHITA, KANSAS WHICH AUTHORIZED THE ISSUANCE OF GENERAL OBLIGATION BONDS TO PAY THE COSTS OF CERTAIN PUBLIC IMPROVEMENTS IN THE CITY.

WHEREAS, the City of Wichita, Kansas (the “City”) is a municipal corporation, duly created, organized and existing under the Constitution and laws of the State; and

WHEREAS, the Governing Body is authorized, pursuant to K.S.A. 13-1024c, as amended by Charter Ordinance No. 156 of the City (the “Act”) to issue general obligation bonds of the City without an election for the purpose of paying for the construction, purchase or improvement of any public improvement, including the land necessary therefore, and for the purpose of rebuilding, adding to or extending the same as the necessities of the City may require and for the purpose of paying for certain personal property therefore; and

WHEREAS, the Governing Body has heretofore by Resolution No. 14-195 of the City, as amended and supplemented by **Resolution No. 15-101** of the City, authorized the following described public improvements:

The design, acquisition of right-of-way, utility relocation and construction necessary for the intersection of 37th Street North and Hillside (472-85161).

(the “Project”) and to provide for the payment of all or a portion of the costs thereof by the issuance of general obligation bonds of the City pursuant to the Act.

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS, AS FOLLOWS:

Section 1. Amendment of Resolution No. 15-101. *Section 1* of Resolution No. 15-101 of the City is hereby amended to read as follows:

Section 1. Section 1 of Resolution No. 14-195 of the City is hereby amended to read as follows:

Section 1. Project Authorization. It is hereby authorized, ordered and directed that the Project be acquired and/or constructed at an estimated cost of **\$925,000** in accordance with specifications prepared or approved by the City Engineer.

Section 2. Amendment of Resolution No. 14-195. *Section 2* of Resolution No. 14-195 is hereby amended to read as follows:

Section 2. Project Financing. All or a portion of the costs of the Project, interest on financing and administrative and financing costs shall be financed with the proceeds of general obligation bonds of the City (the “Bonds”). The Bonds may be issued to reimburse expenditures made on or after the date which is **60 days prior to the July 15, 2014, adoption of Resolution No. 14-195, to the extent of Bonds authorized thereunder, and 60 days prior to the April 21, 2015, adoption of Resolution No. 15-101, to the extent of** the additional authorization contained therein (as reduced by this subsequent amendment), all pursuant to Treasury Regulation §1.150-2.

Section 3. Repealer; Ratification. *Section 1 of Resolution No. 15-101 of the City and Section 2* of Resolution No. 14-195 of the City are hereby repealed and replaced with the amended versions set forth above; and the rest and remainder thereof are hereby ratified and confirmed.

Section 4. Effective Date. This Resolution shall be in full force and effect from and after its adoption by the Governing Body.

ADOPTED by the City Council of the City of Wichita, Kansas, on October 27, 2015.

(SEAL)

Jeff Longwell, Mayor

ATTEST:

Karen Sublett, City Clerk

APPROVED AS TO FORM:

Jennifer Magaña, City Attorney and Director of Law

City of Wichita
City Council Meeting
October 27, 2015

TO: Mayor and City Council

SUBJECT: Over-Estimate Bid and Funding for Wichita-Valley Center Flood Control Improvements (District VI)

INITIATED BY: Department of Public Works & Utilities

AGENDA: Consent

Recommendation: Approve acceptance of the over-estimate bid, adopt the resolution and approve the budget.

Background: The Wichita-Valley Center Flood Control improvements include rehabilitation of four diversion structures. The project was bid for construction on October 2, 2015, with one bid received, that exceeded the engineer's estimate.

Analysis: The project will provide improvements to four existing flow control structures within the Wichita-Valley Center Flood Control project. The structures are needed to properly divert stream flow within the floodway.

The low bid received for the project exceeded the engineer's estimate by more than \$217,000. Accepting this bid will allow the project to proceed without requiring it to be re-bid, thus eliminating a potential increase in the cost and delay in construction of the improvements. In accordance with Charter Ordinance No. 222, staff recommends the City Council approve acceptance of the lowest bid based on the best interest of the City. A revised estimate has been prepared to reflect the increased cost of constructing the improvements.

Financial Consideration: The original estimate was \$1,411,894, and the revised estimate is \$1,629,398. The Adopted 2015-2024 Capital Improvement Program (CIP) includes \$2,000,000 for the improvements in years 2015 and 2016. The City and Sedgwick County will be splitting the cost of the improvements, each contributing \$500,000 per year, bringing the budget to \$2,000,000. The City's portion will be funded by Stormwater Utility revenue.

Legal Considerations: The Law Department has reviewed and approved the resolution as to form.

Recommendation/Action: It is recommended that the City Council approve acceptance of the lowest over-estimate bid, adopt the resolution, approve the budget, and authorize all necessary signatures.

Attachments: Bid Summary, resolution, budget sheet.

Project Request

☒ CIP ☐ Non-CIP

CIP YEAR:

2015 & 16

CIP #:

☐ NEIGHBORHOOD IMPROVEMENT

DEPARTMENT: 18 Public Works & Utilities

DIVISION:

Sewer Maintenance

RESOLUTION/ORDINANCE #:

FUND: 562 Storm Water Construction

ENGINEERING REFERENCE #:

COUNCIL DISTRICT: 06 Council District 6

DATE COUNCIL APPROVED: 10-27-15

REQUEST DATE:

PROJECT #:

PROJECT TITLE: Wichita-Valley Center Flood Control

PROJECT DETAIL #:

PROJECT DETAIL DESCRIPTION: Wichita-Valley Center Flood Control

OCA #:

OCA TITLE: Wichita-Valley Center Flood Control

PERSON COMPLETING FORM: Jennifer Peterson

PHONE #: 268-4548

PROJECT MANAGER: Ben Nelson

PHONE #: 268-4356

☒ NEW BUDGET ☐ REVISED BUDGET

REVENUE

EXPENSE

Object Level 3	Budget	Object Level 3	Budget
9813 Cash Transfer In	\$1,000,000.00	2999 Contractuals	\$2,000,000.00
8079 other county aise	\$1,000,000.00		\$0.00
	\$0.00		\$0.00
	\$0.00		\$0.00
	\$0.00		\$0.00
	\$0.00		\$0.00
	\$0.00		\$0.00

REVENUE TOTAL: \$2,000,000.00

EXPENSE TOTAL: \$2,000,000.00

NOTES:

SIGNATURES REQUIRED

Print Form

DIVISION HEAD:

DATE:

DEPARTMENT HEAD:

DATE: 10-9-15

BUDGET OFFICER:

DATE:

CITY MANAGER:

DATE:

STORM SEWER BID TABULATION SUMMARY**RQ541026**

FB540167		Engineer's Construction Estimate	Utility Contractors Inc.	Duling Construction	Mies Construction
Wichita-Valley Center Local Flood Protection Project Diversion Structure Repairs		\$1,411,894.00	\$1,629,397.50		
(s. of 93rd St N, w. of Arkansas Ave)	BID BOND		X		
468-84766	ADDENDA	1			
(660811)			1,629,397.50		
		Engineer's Construction Estimate	McCullough Excavation	Nowak Construction	Utilities Plus
Wichita-Valley Center Local Flood Protection Project Diversion Structure Repairs		\$1,411,894.00			
(s. of 93rd St N, w. of Arkansas Ave)	BID BOND				
468-84766	ADDENDA	1			
(660811)					
		Engineer's Construction Estimate	Wildcat Construction	Stannard Construction d/b/a WB Carter	
Wichita-Valley Center Local Flood Protection Project Diversion Structure Repairs		\$1,411,894.00			
(s. of 93rd St N, w. of Arkansas Ave)	BID BOND				
468-84766	ADDENDA	1			
(660811)					
		Engineer's Construction Estimate			
Wichita-Valley Center Local Flood Protection Project Diversion Structure Repairs		\$1,411,894.00			
(s. of 93rd St N, w. of Arkansas Ave)	BID BOND				
468-84766	ADDENDA	1			
(660811)					
Award 10-27-15 subject to City Council approval of new Engineer's Estimate \$1,629,397.50 and Budget Authorization.					

CHECKED BY: _____

REVIEWED BY: _____

RESOLUTION NO. ____ - _____

A RESOLUTION AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE CITY OF WICHITA, KANSAS TO PAY THE COSTS OF CERTAIN PUBLIC IMPROVEMENTS IN THE CITY.

WHEREAS, the City of Wichita, Kansas (the "City") is a municipal corporation, duly created, organized and existing under the Constitution and laws of the State; and

WHEREAS, the Governing Body is authorized, pursuant to K.S.A. 13-1024c, as amended by Charter Ordinance No. 156 of the City (the "Act") to issue general obligation bonds of the City without an election for the purpose of paying for the construction, purchase or improvement of any public improvement, including the land necessary therefore, and for the purpose of rebuilding, adding to or extending the same as the necessities of the City may require and for the purpose of paying for certain personal property therefore; and

WHEREAS, the Governing Body hereby finds and determines that it is necessary and advisable to make certain public improvements described as follows:

Wichita Valley Center Flood Control Improvements

(the "Project") and to provide for the payment of all or a portion of the costs thereof by the issuance of general obligation bonds of the City pursuant to the Act.

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS, AS FOLLOWS:

Section 1. Project Authorization. It is hereby authorized, ordered and directed that the Project be acquired and/or constructed at an estimated cost of **\$2,000,000** in accordance with plans and specifications therefor prepared under the direction of the City Engineer and approved by the Governing Body; said plans and specifications to be placed on file in the office of the City Engineer.

Section 2. Project Financing. All or a portion of the costs of the Project, interest on financing and administrative and financing costs shall be financed with the proceeds of general obligation bonds of the City (the "Bonds"). The Bonds may be issued to reimburse expenditures made on or after the date which is 60 days before the date of adoption of this Resolution, to the extent of the increased authorization contained herein, all pursuant to Treasury Regulation §1.150-2.

Section 3. Effective Date. This Resolution shall be in full force and effect from and after its adoption by the Governing Body.

ADOPTED by the City Council of the City of Wichita, Kansas, on _____.

(SEAL)

Jeff Longwell, Mayor

ATTEST:

Karen Sublett, City Clerk

APPROVED AS TO FORM:



Jennifer Magaña, City Attorney and Director of Law

RESOLUTION NO. 15-352

A RESOLUTION AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE CITY OF WICHITA, KANSAS TO PAY THE COSTS OF CERTAIN PUBLIC IMPROVEMENTS IN THE CITY.

WHEREAS, the City of Wichita, Kansas (the “City”) is a municipal corporation, duly created, organized and existing under the Constitution and laws of the State; and

WHEREAS, the Governing Body is authorized, pursuant to K.S.A. 13-1024c, as amended by Charter Ordinance No. 156 of the City (the “Act”) to issue general obligation bonds of the City without an election for the purpose of paying for the construction, purchase or improvement of any public improvement, including the land necessary therefore, and for the purpose of rebuilding, adding to or extending the same as the necessities of the City may require and for the purpose of paying for certain personal property therefore; and

WHEREAS, the Governing Body hereby finds and determines that it is necessary and advisable to make certain public improvements described as follows:

Wichita Valley Center Flood Control Improvements

(the “Project”) and to provide for the payment of all or a portion of the costs thereof by the issuance of general obligation bonds of the City pursuant to the Act.

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS, AS FOLLOWS:

Section 1. Project Authorization. It is hereby authorized, ordered and directed that the Project be acquired and/or constructed at an estimated cost of **\$2,000,000** in accordance with plans and specifications therefor prepared under the direction of the City Engineer and approved by the Governing Body; said plans and specifications to be placed on file in the office of the City Engineer.

Section 2. Project Financing. All or a portion of the costs of the Project, interest on financing and administrative and financing costs shall be financed with the proceeds of general obligation bonds of the City (the “Bonds”). The Bonds may be issued to reimburse expenditures made on or after the date which is 60 days before the date of adoption of this Resolution, to the extent of the increased authorization contained herein, all pursuant to Treasury Regulation §1.150-2.

Section 3. Effective Date. This Resolution shall be in full force and effect from and after its adoption by the Governing Body.

ADOPTED by the City Council of the City of Wichita, Kansas, on October 27, 2015.

(SEAL)

Jeff Longwell, Mayor

ATTEST:

Karen Sublett, City Clerk

APPROVED AS TO FORM:

Jennifer Magaña, City Attorney and Director of Law

City of Wichita
City Council Meeting
October 27, 2015

TO: Mayor and City Council

SUBJECT: Partial Loan Forgiveness Request, Home Repair Program (District III)

INITIATED BY: Housing and Community Services Department

AGENDA: Consent

Recommendation: Approve the partial loan forgiveness request, with all net proceeds from an approved sale to be paid to the City, and authorize the necessary signatures.

Background: The Housing and Community Services Department provides loans for home repair and/or rehabilitation assistance through the Home Repair program. In most cases, the loans are zero-interest with payments deferred. Loans can be provided for as little as \$500 for emergency assistance needs and for as much as \$35,000 for whole-house rehabilitation. The current program design was implemented in 2005, and provides for forgiveness of Emergency Assistance and Minor Home Repair deferred loans of less than \$5,000, after a period of five years. Deferred loans between \$5,000 and \$35,000, which are provided for whole-house rehabilitation, are partially forgiven after a period of five years.

Analysis: Between October 15, 1997 and April 28, 2005, four deferred payment loans for a total of \$7,664 were provided to Jesse Brown, Jr., Jennifer Ball-Brown, and David Kling for repairs to a single-family residence located at 4352 Whitney Lane. The loans are secured by mortgages on the property. Since the loans were provided before 2005, the terms include no forgiveness provisions. Mr. Kling was the owner of record, and Mr. Brown and Ms. Ball-Brown were purchasing the property under a contract sale agreement. On August 28, 2002, Mr. Kling filed bankruptcy, and the rights to the payments to be made under the contract sale agreement were sold to Derry Larson. Mr. Larson became the owner of record of the property. Mr. Brown and Ms. Ball-Brown have defaulted on the contract sale agreement with Mr. Larson. The property is vacant and has fallen into disrepair.

According to the Sedgwick County Appraiser, the value of the property with improvements is \$29,800, and it is designated to be in "Fair" condition. An inspector from the Housing and Community Services Department's Home Improvement Program recently inspected the property. The house was found to be in poor condition and in need of substantial renovation. The exterior siding is in poor condition, and most of the windows and the front door are boarded up due to vandalism. The interior drywall surfaces appear to have been partially renovated, but exhibit water damage, and the floor coverings are in extremely poor condition. The heating and air conditioning system, the water heater, the toilet, plumbing supply lines and drains are missing. The electrical service appears to be in good condition, but there are many code violations requiring correction. Staff estimates the cost of renovation to be approximately \$40,000 at minimum, depending on the extent of the renovation and the quality of materials utilized.

Mr. Larson has received a cash offer for the property from an adjacent property owner, in the amount of \$4,000. He has agreed to remit all net proceeds from the sale to the City, in exchange for partial forgiveness of the loan balances that cannot be repaid from the net proceeds. Given that the property is vacant and in need of substantial renovation, staff recommends that Mr. Larson be allowed to proceed with the sale.

Financial Considerations: The net proceeds of the sale are estimated to be \$3,300, following payment of related selling costs. Under the proposed arrangement, the City will forgive the remaining loan

balances that cannot be paid from the net proceeds of the sale, as recommended by staff. The current loan balances are \$7,664, so approximately \$4,364 is to be forgiven. There are no general funds involved in the transaction.

Legal Considerations: Upon receipt of the net proceeds and forgiveness of outstanding loan balances, the City will prepare documents necessary to release the mortgage liens on the property, to be filed of record by the closing agent.

Recommendations/Actions: It is recommended that the City Council approve the partial loan forgiveness request, with all net proceeds from an approved sale to be paid to the City, and authorize the necessary signatures.

Attachments: None.

City of Wichita
City Council Meeting
October 27, 2015

TO: Mayor and City Council

SUBJECT: Resolution for Sewer Utility Funding to Serve Improvements on 55th Street South (District IV)

INITIATED BY: Department of Public Works & Utilities

AGENDA: Consent

Recommendation: Adopt the resolution and notice of intent.

Background: On June 2, 2015, the City Council approved a petition and adopted a resolution for sanitary sewer improvements to serve 55th Street South, east of Seneca.

Analysis: The June 2nd petition and resolution split the cost of the improvements between the improvement district and the City at-large. The City's portion is funded by the Sewer Utility and requires a separate bonding authority.

Financial Considerations: The project budget remains \$45,000, as previously approved, with 77.8% funded by special assessments, and 22.2% funded by Sewer Utility cash reserves or future revenue bond sales. If revenue bonds are issued, an additional 8% will be added for financing and administrative costs.

Legal Considerations: The Law Department has reviewed and approved the resolution and notice of intent as to form.

Recommendation/Action: It is recommended that the City Council adopt the resolution and notice of intent, and authorize the necessary signatures.

Attachments: Resolution, notice of intent, and budget sheet.

Project Request

☐ CIP ☒ Non-CIP

☒ NEIGHBORHOOD IMPROVEMENT

☐ ORDERED BY WCC

☒ PETITION

PETITION PERCENTAGE: 70.4%

DEPARTMENT: 13 Public Works & Utilities

DIVISION: Engineering

RESOLUTION/ORDINANCE #: 15-150

FUND: 480 Sewer Improvements N.I.

SUBFUND: 480 Sanitary Sewers N.I.

ENGINEERING REFERENCE #: 468-85020

COUNCIL DISTRICT: 04 Council District 4

DATE COUNCIL APPROVED: 10-27-15

REQUEST DATE: _____

PROJECT #: 480087

PROJECT TITLE: Lat 545 SWI 55th Street South

PROJECT DETAIL #: 01

PROJECT DETAIL DESCRIPTION: Lat 545 SWI 55th Street South

OCA #: 744395

OCA TITLE: Lat 545 SWI 55th Street South

PERSON COMPLETING FORM: Jennifer Peterson

PHONE #: 268-4548

PROJECT MANAGER: Rebecca Greif

PHONE #: 268-4505

☒ NEW BUDGET ☐ REVISED BUDGET

REVENUE

EXPENSE

Object Level 3	Budget	Object Level 3	Budget
9730 S.A. Bonds	\$35,010.00	2999 Contractuals	\$35,010.00
9813 Cash Transfer In	\$9,990.00	2999 Contractuals	\$9,990.00
	\$0.00		\$0.00
	\$0.00		\$0.00
	\$0.00		\$0.00
	\$0.00		\$0.00
	\$0.00		\$0.00
	\$0.00		\$0.00

REVENUE TOTAL: \$45,000.00

EXPENSE TOTAL: \$45,000.00

NOTES: The budget was set up prior under all S.A.bonds, & needs to be separated out per the Res.

SIGNATURES REQUIRED

DIVISION HEAD: _____

DEPARTMENT HEAD: _____

BUDGET OFFICER: _____

CITY MANAGER: _____

Print Form

DATE: 10/9/15

DATE: 10/19/15

DATE: 10/9/15

DATE: _____

RESOLUTION NO. __-__

A RESOLUTION DECLARING IT NECESSARY TO CONSTRUCT, RECONSTRUCT, ALTER, REPAIR, IMPROVE, EXTEND AND ENLARGE THE WATER AND SEWER UTILITY OWNED AND OPERATED BY THE CITY OF WICHITA, KANSAS, TO ISSUE REVENUE BONDS FOR THE PURPOSE OF PAYING CERTAIN COSTS THEREOF, AND PROVIDING FOR THE GIVING OF NOTICE OF SUCH INTENTION IN THE MANNER REQUIRED BY LAW.

WHEREAS, the City of Wichita, Kansas (the "City") is a municipal corporation, duly created, organized and existing under the Constitution and laws of the State; and

WHEREAS, the City Council of the City (the "Governing Body"), has heretofore by Ordinance No. 39-888, passed May 26, 1987 and published in the official newspaper of the City on May 29, 1987, as required by law, authorized the combining of the City-owned and operated municipal water utility and municipal sewer utility thereby creating the City of Wichita, Kansas Water and Sewer Utility (the "Utility"); and

WHEREAS, the City is authorized under the Constitution and laws of the State of Kansas, including K.S.A. 10-1201 *et seq.*, as amended and supplemented by Charter Ordinance No. 211 of the City (collectively, the "Act"), to issue revenue bonds to construct, reconstruct, alter, repair, improve, extend and enlarge the Utility;

WHEREAS, the Governing Body hereby finds and determines that it is necessary and advisable to construct, reconstruct, alter, repair, improve, extend and enlarge the Utility in the following manner:

Sanitary Sewer Improvements to 55th Street South

(the "Project") and to provide for the payment of all or a portion of the costs thereof by the issuance of revenue bonds of the City pursuant to the Act; said bonds to be payable from the revenues of the Utility.

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS, AS FOLLOWS:

Section 1. Project Authorization. It is hereby authorized, ordered and directed that the Project be acquired, constructed and/or installed in accordance with plans and specifications therefor prepared under the direction of the City Engineer or designate and approved by the Governing Body; said plans and specifications to be placed on file in the offices of the Utility. The estimated cost of the Project, including related design and engineering expenses is \$45,000 with 77.8% percent being payable from the special district and 22.2 percent payable by the City at large (and anticipated to be funded by the sewer utility). The actual assessed cost shall not exceed the estimated assessed cost by more than 10%, exclusive of interest on financing and administrative costs. If, at the time the City Engineer bids or is ready to bid the project for construction and it appears that the final cost will exceed this amount, this project will be abandoned and rescinded by the City Council. In order to re-establish the project, a new petition with an increased budget must be circulated and submitted. This petition shall be considered null and void if it is not filed with the City Clerk within one year of the preparation date of April 30, 2015. The Project will not cause duplication of any existing water or sewer utility service furnished by a private utility in the City.

Section 2. Project Financing. It is hereby found and determined to be necessary and advisable to

issue revenue bonds of the City under the authority of the Act, in an aggregate principal amount not to exceed \$13,379 in order to pay all or a portion of the costs of the Project and related reserves, interest on financing and administrative and financing costs (the "Bonds"). The Bonds shall not be general obligations of the City payable from taxation, but shall be payable from the revenues derived from the operations of the Utility. Costs of the Project in excess of the proceeds of the Bonds, if any, shall be paid from unencumbered moneys of the Utility which will be available for that purpose. The Bonds may be issued to reimburse expenditures made on or after the date which is 60 days before the date of this Resolution, pursuant to Treasury Regulation 1.150-2.

Section 3. Notice. Before issuing the Bonds, there shall be published one (1) time in the official newspaper of the City, a notice of the intention of the Governing Body to undertake the Project and to issue the Bonds (the "Notice"); and if within fifteen (15) days after the publication of such Notice, there shall be filed with the City Clerk, a written protest against the Project or the issuance of the Bonds, signed by not less than twenty per cent (20%) of the qualified electors of the City, the Governing Body shall thereupon submit such proposed Project and the Bonds to the electors of the City at a special election to be called for that purpose as provided by the Act. If no sufficient protest is filed with the City Clerk within the period of time hereinbefore stated, then the Governing Body shall have the authority to proceed with the Project and issuance of the Bonds.

Section 4. Effective Date. This Resolution shall be in full force and effect from and after its adoption by the Governing Body.

ADOPTED by the City Council of the City of Wichita, Kansas, by not less than two-thirds of the members voting in favor thereof, on _____.


(SEAL)

Jeff Longwell, Mayor

ATTEST:

Karen Sublett, City Clerk

APPROVED AS TO FORM:


for Jennifer Magana, Director of Law

(Published in *The Wichita Eagle*, on _____.)

NOTICE

TO: THE RESIDENTS OF THE CITY OF WICHITA, KANSAS

You are hereby notified that the City Council (the "Governing Body") of the City of Wichita, Kansas (the "City"), by Resolution No. __ - ____, duly adopted _____, 2015, has found and determined it to be necessary and declared its intention to construct, reconstruct, alter, repair, improve, extend and enlarge the City of Wichita, Kansas Water and Sewer Utility, which is owned and operated by the City (the "Utility"), in the following manner:

Sanitary Sewer Improvements to Serve 55th Street South

(the "Project") at an estimated cost, including related design and engineering expenses of \$45,000 with 77.8% percent being payable from the special district and 22.2% percent payable by the City at large (and anticipated to be funded by the sewer utility). Said estimated cost as above set forth is hereby increased at the pro-rata rate of 1 percent per month from and after April 30, 2015.

In order to finance all or a portion of the costs of the Project and related reserves, interest on financing and administrative and financing costs, the Governing Body has further found and determined it to be necessary and declared its intention to issue revenue bonds an aggregate principal amount not to exceed \$13,379 under the authority of K.S.A. 10-1201 *et seq.*, as amended and supplemented by Charter Ordinance No. 211 of the City (the "Bonds"). The Bonds shall not be general obligation bonds of the City payable from taxation, but shall be payable only from the revenues derived from the operations of the Utility. Costs of the Project in excess of the proceeds of the Bonds shall be paid from unencumbered moneys of the Utility which will be available for that purpose.

This Notice shall be published one time in the official newspaper of the City; and if, within fifteen (15) days from and after the publication date hereof, there shall be filed in the Office of the City Clerk a written protest against the Project and the issuance of the Bonds, which protest is signed by not less than twenty percent (20%) of the qualified electors of the City, then the question of the Project and the issuance of the Bonds shall be submitted to the electors of the City at a special election which shall be called for that purpose as provided by law. If no sufficient protest to the Project and the issuance of the Bonds is filed within said period, then the Governing Body shall have the authority to proceed with the Project and issuance of the Bonds.

BY ORDER of the Governing Body of the City of Wichita, Kansas, on _____.

/s/ JEFF LONGWELL, Mayor

ATTEST:

/s/ Karen Sublett, City Clerk

RESOLUTION NO. 15-353

A RESOLUTION DECLARING IT NECESSARY TO CONSTRUCT, RECONSTRUCT, ALTER, REPAIR, IMPROVE, EXTEND AND ENLARGE THE WATER AND SEWER UTILITY OWNED AND OPERATED BY THE CITY OF WICHITA, KANSAS, TO ISSUE REVENUE BONDS FOR THE PURPOSE OF PAYING CERTAIN COSTS THEREOF, AND PROVIDING FOR THE GIVING OF NOTICE OF SUCH INTENTION IN THE MANNER REQUIRED BY LAW.

WHEREAS, the City of Wichita, Kansas (the "City") is a municipal corporation, duly created, organized and existing under the Constitution and laws of the State; and

WHEREAS, the City Council of the City (the "Governing Body"), has heretofore by Ordinance No. 39-888, passed May 26, 1987 and published in the official newspaper of the City on May 29, 1987, as required by law, authorized the combining of the City-owned and operated municipal water utility and municipal sewer utility thereby creating the City of Wichita, Kansas Water and Sewer Utility (the "Utility"); and

WHEREAS, the City is authorized under the Constitution and laws of the State of Kansas, including K.S.A. 10-1201 *et seq.*, as amended and supplemented by Charter Ordinance No. 211 of the City (collectively, the "Act"), to issue revenue bonds to construct, reconstruct, alter, repair, improve, extend and enlarge the Utility;

WHEREAS, the Governing Body hereby finds and determines that it is necessary and advisable to construct, reconstruct, alter, repair, improve, extend and enlarge the Utility in the following manner:

Sanitary Sewer Improvements to 55th Street South

(the "Project") and to provide for the payment of all or a portion of the costs thereof by the issuance of revenue bonds of the City pursuant to the Act; said bonds to be payable from the revenues of the Utility.

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS, AS FOLLOWS:

Section 1. Project Authorization. It is hereby authorized, ordered and directed that the Project be acquired, constructed and/or installed in accordance with plans and specifications therefor prepared under the direction of the City Engineer or designate and approved by the Governing Body; said plans and specifications to be placed on file in the offices of the Utility. **The estimated cost of the Project, including related design and engineering expenses is \$45,000 with 77.8% percent being payable from the special district and 22.2 percent payable by the City at large (and anticipated to be funded by the sewer utility). The actual assessed cost shall not exceed the estimated assessed cost by more than 10%, exclusive of interest on financing and administrative costs. If, at the time the City Engineer bids or is ready to bid the project for construction and it appears that the final cost will exceed this amount, this project will be abandoned and rescinded by the City Council. In order to re-establish the project, a new petition with an increased budget must be circulated and submitted. This petition shall be considered null and void if it is not filed with the City Clerk within one year of the preparation date of April 30, 2015. The Project will not cause duplication of any existing water or sewer utility service furnished by a private utility in the City.**

Section 2. Project Financing. It is hereby found and determined to be necessary and advisable to

issue revenue bonds of the City under the authority of the Act, in an aggregate principal amount not to exceed \$13,379 in order to pay all or a portion of the costs of the Project and related reserves, interest on financing and administrative and financing costs (the “Bonds”). The Bonds shall not be general obligations of the City payable from taxation, but shall be payable from the revenues derived from the operations of the Utility. Costs of the Project in excess of the proceeds of the Bonds, if any, shall be paid from unencumbered moneys of the Utility which will be available for that purpose. The Bonds may be issued to reimburse expenditures made on or after the date which is 60 days before the date of this Resolution, pursuant to Treasury Regulation 1.150-2.

Section 3. Notice. Before issuing the Bonds, there shall be published one (1) time in the official newspaper of the City, a notice of the intention of the Governing Body to undertake the Project and to issue the Bonds (the “Notice”); and if within fifteen (15) days after the publication of such Notice, there shall be filed with the City Clerk, a written protest against the Project or the issuance of the Bonds, signed by not less than twenty per cent (20%) of the qualified electors of the City, the Governing Body shall thereupon submit such proposed Project and the Bonds to the electors of the City at a special election to be called for that purpose as provided by the Act. If no sufficient protest is filed with the City Clerk within the period of time hereinbefore stated, then the Governing Body shall have the authority to proceed with the Project and issuance of the Bonds.

Section 4. Effective Date. This Resolution shall be in full force and effect from and after its adoption by the Governing Body.

ADOPTED by the City Council of the City of Wichita, Kansas, by not less than two-thirds of the members voting in favor thereof, on October 27, 2015.

(SEAL)

Jeff Longwell, Mayor

ATTEST:

Karen Sublett, City Clerk

APPROVED AS TO FORM:

Jennifer Magana, Director of Law

(Published in *The Wichita Eagle*, on October 30, 2015)

NOTICE

TO: THE RESIDENTS OF THE CITY OF WICHITA, KANSAS

You are hereby notified that the City Council (the “Governing Body”) of the City of Wichita, Kansas (the “City”), by Resolution No. 15-354, duly adopted October 27, 2015, has found and determined it to be necessary and declared its intention to construct, reconstruct, alter, repair, improve, extend and enlarge the City of Wichita, Kansas Water and Sewer Utility, which is owned and operated by the City (the “Utility”), in the following manner:

Sanitary Sewer Improvements to Serve 55th Street South

(the “Project”) at an estimated cost, including related design and engineering expenses of \$45,000 with 77.8% percent being payable from the special district and 22.2% percent payable by the City at large (and anticipated to be funded by the sewer utility). Said estimated cost as above set forth is hereby increased at the pro-rata rate of 1 percent per month from and after April 30, 2015.

In order to finance all or a portion of the costs of the Project and related reserves, interest on financing and administrative and financing costs, the Governing Body has further found and determined it to be necessary and declared its intention to issue revenue bonds an aggregate principal amount not to exceed \$13,379 under the authority of K.S.A. 10-1201 *et seq.*, as amended and supplemented by Charter Ordinance No. 211 of the City (the “Bonds”). The Bonds shall not be general obligation bonds of the City payable from taxation, but shall be payable only from the revenues derived from the operations of the Utility. Costs of the Project in excess of the proceeds of the Bonds shall be paid from unencumbered moneys of the Utility which will be available for that purpose.

This Notice shall be published one time in the official newspaper of the City; and if, within fifteen (15) days from and after the publication date hereof, there shall be filed in the Office of the City Clerk a written protest against the Project and the issuance of the Bonds, which protest is signed by not less than twenty percent (20%) of the qualified electors of the City, then the question of the Project and the issuance of the Bonds shall be submitted to the electors of the City at a special election which shall be called for that purpose as provided by law. If no sufficient protest to the Project and the issuance of the Bonds is filed within said period, then the Governing Body shall have the authority to proceed with the Project and issuance of the Bonds.

BY ORDER of the Governing Body of the City of Wichita, Kansas, on October 27, 2015.

/s/ JEFF LONGWELL, Mayor

ATTEST:

/s/ Karen Sublett, City Clerk

City of Wichita
City Council Meeting
October 27, 2015

TO: Mayor and City Council

SUBJECT: 2016 Drug Enforcement Administration (DEA) State and Local Task Force

INITIATED BY: Police Department

AGENDA: Consent

Recommendation: Approve continued participation in Drug Enforcement Administration State and Local Task Force.

Background: Since 1983, the Wichita Police Department (WPD) has assigned two full time detectives to the Drug Enforcement Administration (DEA) to assist in narcotic and dangerous drug trafficking investigations in Wichita and the surrounding communities, as a member of the State and Local Task Force. In addition to the WPD, the DEA Task Force includes agents from the Sedgwick County Sheriff's Office, Kansas Bureau of Investigation, Kansas National Guard, Kansas Highway Patrol, Haysville Police Department and Immigration and Custom Enforcement. The current agreement expires September 29, 2015.

Analysis: The Wichita DEA Office is focused on large scale drug organizations that operate regionally and have a direct connection to Wichita and the surrounding communities, based on Wichita's geographic access to three major drug corridors. Those corridors, I-35, I-70 and US-54, make Wichita attractive to major drug organizations attempting to establish distribution networks. DEA and its Task Force partners, including the WPD, work to identify, dismantle, and prosecute suspects attempting to bring large quantities of drugs into Wichita. Through the Wichita DEA Office, the Task Force participates in large scale investigations, many of which ultimately have national impact. During 2014-2015, the local Task Force initiated 72 major cases and made 56 felony arrests connected with drug trafficking with several Federal indictments pending. A continuation of the agreement between the DEA and the WPD provides the City of Wichita and its residents with additional resources in an effort to identify and prosecute individuals and organizations that traffic narcotics and dangerous drugs in this community.

Financial Considerations: DEA reimburses the WPD for overtime up to \$17,548 per Task Force Officer, per year for a total amount of \$35,096. Participation in the Task Force entitles the Department to share in a portion of Federal seizures, enhancing the Department's resources for drug crime investigation. The WPD is responsible for the base salary and benefits of the detectives.

Legal Considerations: The Agreements have been reviewed and approved as to form by the Law Department.

Recommendations/Actions: It is recommended that the City Council approve continued annual participation in DEA State and Local Task Force and approve the budget for the fiscal year beginning September 30, 2015.

City of Wichita
City Council Meeting
October 27, 2015

TO: Mayor and City Council

SUBJECT: Wichita Retirement Systems' Comprehensive Annual Financial Report
for the Fiscal Year Ended December 31, 2014

INITIATED BY: Department of Finance

AGENDA: Consent

Recommendation: Receive and file the Comprehensive Annual Financial Report.

Background: Since 1998, Pension Management has prepared the Comprehensive Annual Financial Report (CAFR) of the Wichita Employees' Retirement and Police and Fire Retirement Systems. The CAFR is designed to provide information to interested parties regarding the financial position, results of operations, investments and actuarial positions of the Systems.

Analysis: The financial statements presented in the CAFR for the year ended December 31, 2014 have been audited by the independent certified public accounting firm of Allen, Gibbs & Houlik, L.C. and an unmodified opinion has been issued stating that the financial statements present fairly, in all material respects, the financial position of the Systems and the changes in the Systems' financial position, in accordance with generally accepted accounting principles.

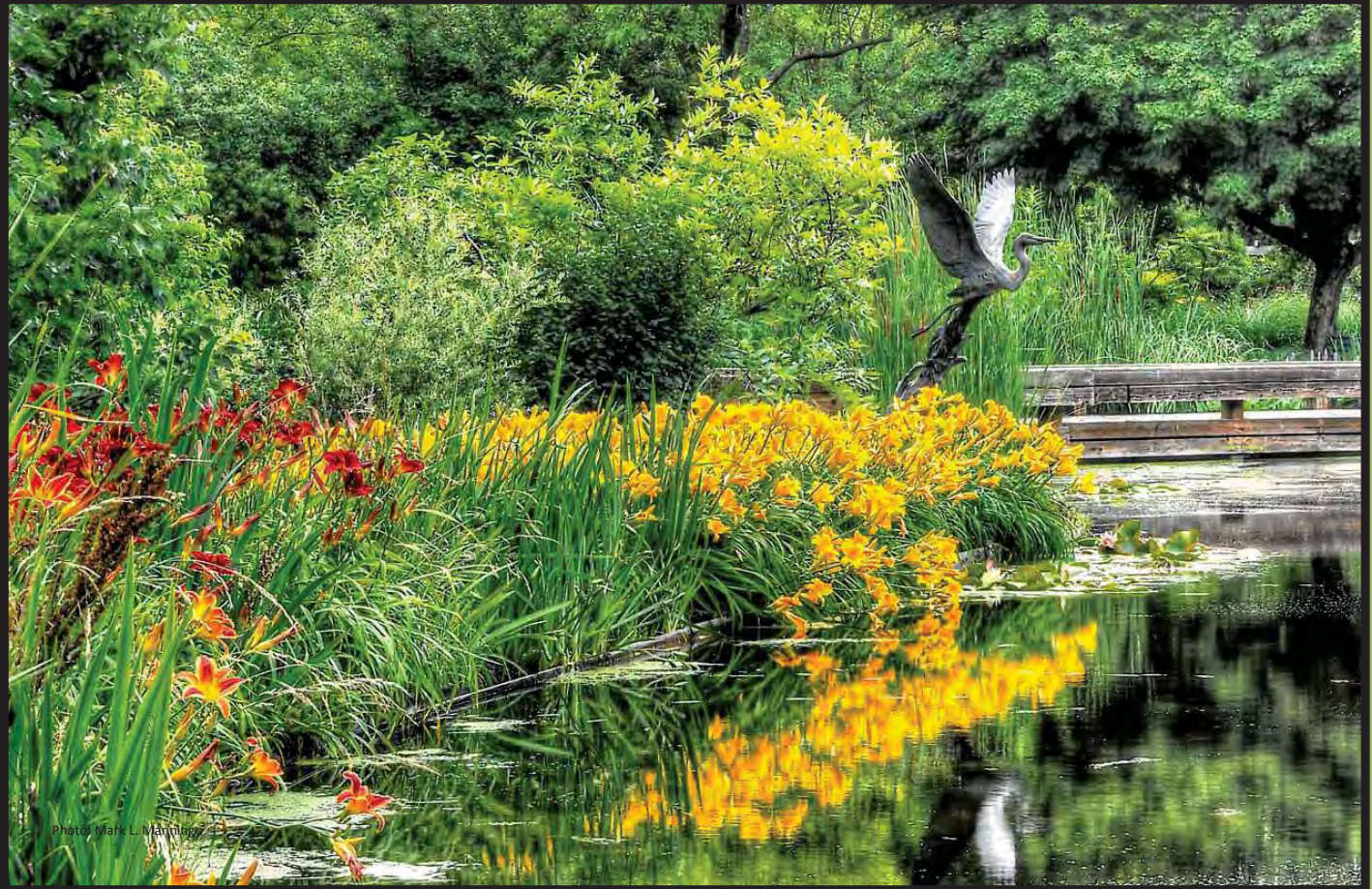
The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the Wichita Retirement Systems for the year ended December 31, 2013. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR, with content that conforms to program standards. The 2013 award represents the fifteenth consecutive year in which the Wichita Retirement Systems have earned this award. Staff believes that the 2014 CAFR continues to meet GFOA standards for certification and the City has again applied for this recognition.

Financial Considerations: None

Legal Considerations: None

Recommendations/Actions: It is recommended that the City Council receive and file the Wichita Retirement Systems' Comprehensive Annual Financial Report for the fiscal year ended December 31, 2014.

Attachments: Wichita Retirement Systems, Comprehensive Annual Financial Report for the fiscal year ended December 31, 2014.



WICHITA RETIREMENT SYSTEMS

Police and Fire Retirement System of Wichita, Kansas
Wichita Employees' Retirement System
Wichita Employees' Retirement System Plan 3

Pension Trust Funds of the City of Wichita, Kansas

COMPREHENSIVE ANNUAL FINANCIAL REPORT

for the fiscal year ended December 31, 2014



EXHIBIT D

Comprehensive Annual Financial Report

for the fiscal year ended December 31, 2014



Pension Trust Funds of The City of Wichita, Kansas

Wichita Retirement Systems

Police and Fire Retirement System of Wichita, Kansas	Wichita Employees' Retirement System	Wichita Employees' Retirement System Plan 3
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Prepared by:
City of Wichita
Pension Management Office
455 N. Main Street, 12th Floor
Wichita, KS 67202
316-268-4544

<http://www.wichita.gov/Government/Departments/Finance>

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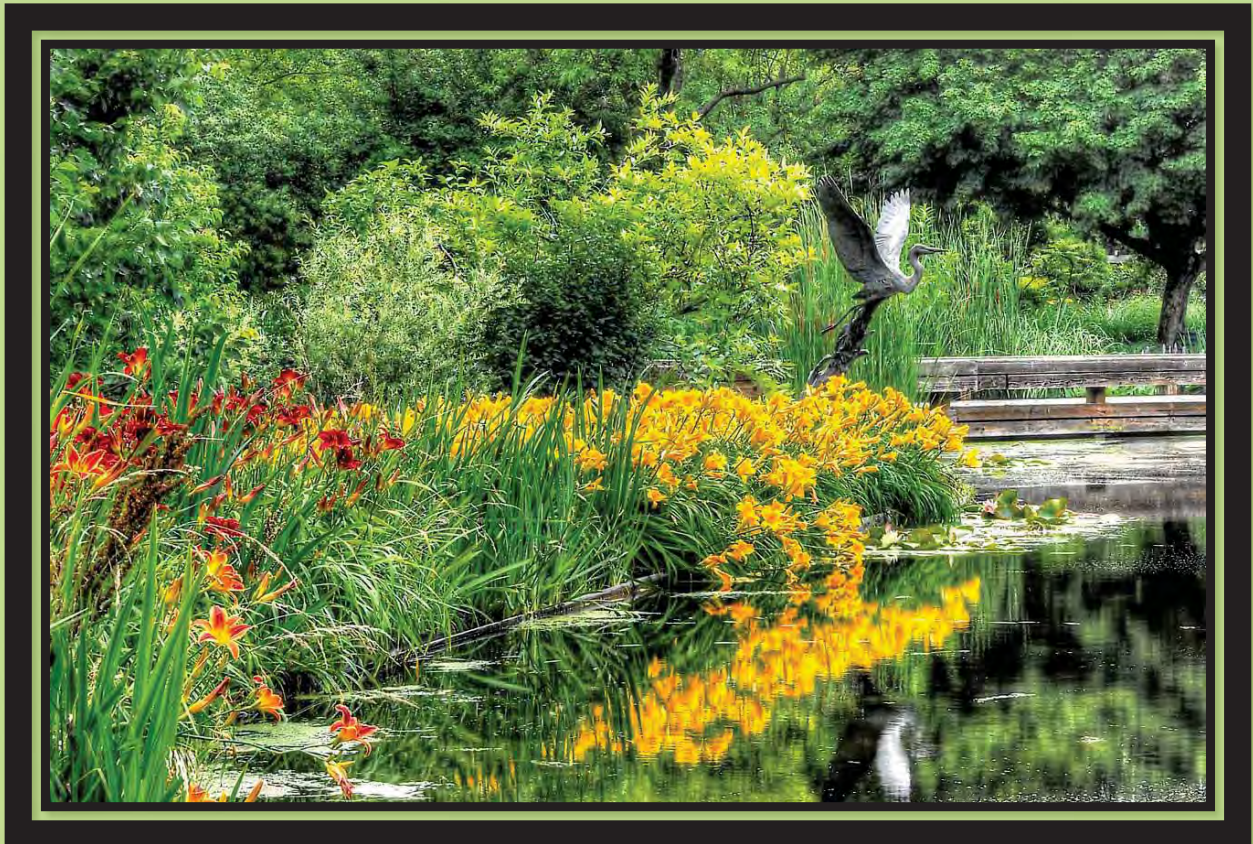
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INTRODUCTORY SECTION





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Wichita
Kansas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2013

Jeffrey R. Egan
Executive Director/CEO



Public Pension Coordinating Council

**Public Pension Standards Award
For Funding and Administration
2014**

Presented to

Wichita Retirement Systems

In recognition of meeting professional standards for
plan funding and administration as
set forth in the Public Pension Standards

Presented by the Public Pension Coordinating Council, a confederation of

National Association of State Retirement Administrators (NASRA)
National Conference on Public Employee Retirement Systems (NCPERS)
National Council on Teacher Retirement (NCTR)

Alan E. Wink
PPCC Administrator

The Wichita Retirement Systems' Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2013 was awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association of the United States and Canada (GFOA). This was the fifteenth consecutive year the System received this prestigious award. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

The Wichita Retirement Systems also received the Public Pension Coordinating Council (PPCC) Public Pension Standards Award for the fiscal year ended December 31, 2013 in recognition of meeting the professional standards for plan design and administration as set forth in the Public Pension Standards. This was the twelfth consecutive year the System obtained this important award. This award is presented by the PPCC, a confederation of the National Association of State Retirement Administrators (NASRA), the National Conference on Public Employee Retirement Systems (NCPERS), and the National Council on Teacher Retirement (NCTR).



July 28, 2015

The Honorable Mayor and City Council
Police and Fire Retirement System of Wichita Board of Trustees
Wichita Employees' Retirement System Board of Trustees

The Department of Finance of the City of Wichita is pleased to present the seventeenth Comprehensive Annual Financial Report of the Wichita Retirement Systems ("WRS" or "Systems"); a single employer retirement system comprised of the Police and Fire Retirement System of Wichita, Kansas (PFRS), the Wichita Employees' Retirement System and the Wichita Employees' Plan 3 (WERS) for the year ended December 31, 2014.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Operating results and the financial position of the Systems are presented in accordance with generally accepted accounting principles (GAAP). To the best of our knowledge, the enclosed data is accurate in all material respects and is reported in a manner designed to fairly present the financial position and operating results of the Systems.

An annual audit of the Systems' financial statements and an evaluation of the Systems' internal controls were conducted by the independent accounting firm of Allen, Gibbs & Houlik, L.C. An unmodified ("clean") opinion on the Systems' financial statements for the year ended December 31, 2014 has been issued. The independent auditor's report may be found on Page 9 of the Financial Section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report (beginning on Page 11) and provides a narrative introduction, overview and analysis of the financial statements. This transmittal letter is designed to complement the MD&A and should be read in conjunction with it.

Plan History

The WERS was established in 1948 to provide pension benefits to all civilian employees, their surviving spouses, and beneficiaries. The PFRS was established in 1965 to provide pension benefits to commissioned police and fire officers, their surviving spouses, and beneficiaries. All full-time employees of the City of Wichita participate in one of these two Systems.

In October 1999, the assets of the WRS were combined into a single fund for investment purposes. Then, in October 2000, assets of WERS Plan 3 were separated from the combined WERS and PFRS funds for investment, custodial, and participant record keeping purposes. Finally, in January 2004, WERS Plan 3 assets were liquidated and the proceeds were reinvested with the other assets of the WRS, which resulted in a combined single fund for investment purposes.

Department of Finance

City Treasurer's Division • Pension Management
City Hall • 12th Floor • 455 N. Main • Wichita, Kansas 67202
T 316.268.4544 • F 316.268.4656
www.wichita.gov

How We Are Structured

A sixteen-member Board of Trustees oversees the PFRS. The members include the City Manager or the City Manager's designee, the Police Chief, the Fire Chief, three fire officers and three police officers elected by PFRS members of their respective departments, and seven members appointed by the City Council. A separate sixteen-member Board of Trustees oversees the WERS. The members include the City Manager or the City Manager's designee, the City Manager's appointee, seven members elected by WERS members, and seven members appointed by the City Council. The City Manager appoints a Pension Manager who manages staff to carry out the daily operations of the Retirement Systems.

System Funding and Financial Position

Funding is the process of setting aside resources for current and future use for the WRS defined benefit plans. The objective of the WRS is to meet funding requirements through contributions, expressed as a percent of active member payroll, which will remain approximately level from year to year and will not require significant increases in contribution rates effecting future generations of citizens in the absence of plan benefit improvements.

The annual actuarial valuations prepared by our actuary, Cavanaugh Macdonald Consulting, LLC, provide an indicator of the funded status of the Systems. As of December 31, 2014, the funded ratio of the PFRS was 95.1 percent and the funded ratio of the WERS was 94.9 percent. The funded ratio is the ratio of actuarial assets to actuarial liabilities. The actuarial liability is that portion of the present value of future benefits that will not be paid by future employer normal costs or member contributions. The difference between this liability and the actuarial value of assets at the same date is referred to as the unfunded actuarial liability (UAL), or surplus if the asset value exceeds the actuarial liability. The Systems' unfunded actuarial liability (or surplus) is amortized over a 20-year rolling period.

The funded ratios for the PFRS and WERS increased by 2.6 and 1.8 percentage points, respectively. Unless offset by future investment returns below the actuarial assumed rate of return of 7.75 percent, the recognition of these gains is expected to improve the funded ratios for the Systems and decrease the required employer contributions in future years. In 2014, employer contributions for the PFRS decreased from 22.8 percent to 22.4 percent of annual covered payroll and employer contributions for the WERS increased from 12.6 percent to 13.2 percent of annual covered payroll. Additional information regarding the financial condition and funding status of the pension trust funds can be found in the Financial and Actuarial Sections of this report.

Investments

The WERS Board of Trustees' investment authority is found in the City of Wichita's Municipal Code, Section 2.28.090. Investment authority for the PFRS Board of Trustees is contained in Section 12 of Charter Ordinance 215.

As of December 31, 2014, the Fiduciary net position was \$1.19 billion, an increase of 1.7 percent from the December 31, 2013 Plan net position of \$1.17 billion. The investment return for the WRS' combined investment portfolio was 5.59 percent for the year ended December 31, 2014, slightly underperforming the WRS' investment target benchmark return of 5.78 percent for the same period. The investment return over the past 5-year period was 10.63 percent, outperforming the benchmark return of 9.39 percent and the Systems' long-term actuarial target of 7.75 percent.

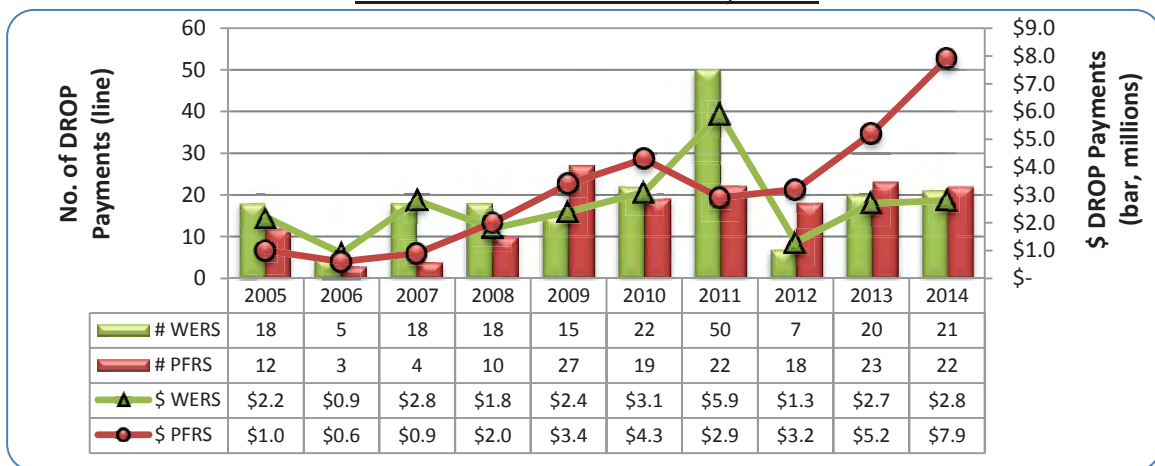
The WERS and PFRS Boards of Trustees have established an overall strategic asset allocation policy based upon the financial needs of the joint fund and the Boards' tolerance for volatility, or risk. The Boards utilize external investment managers consisting of both passive and active strategies. The portfolio is broadly diversified among equities, debt securities, real estate and timber, with additional diversification achieved in equities through domestic and international allocations. With the assistance of the Systems' financial consultant, Callan Associates Inc., and Pension Management staff, the Trustees continue to monitor the investment program and review the policy for future changes to the asset allocation, manager allocations and possible additional investment types. For more information on investment strategies and policies, safeguards on investments and a comparative analysis of investment results over time, please refer to the Investment Section of this report beginning on Page 41.

Major Initiatives and Significant Actions

Deferred Retirement Option Plan (DROP): Beginning in 2000 (WERS) and 2001 (PFRS), the Systems began offering a DROP option to participants eligible for a retirement benefit. The WERS DROP is a forward DROP where participants continue to work for a period of one to sixty months after election. During the DROP period, the employee and employer

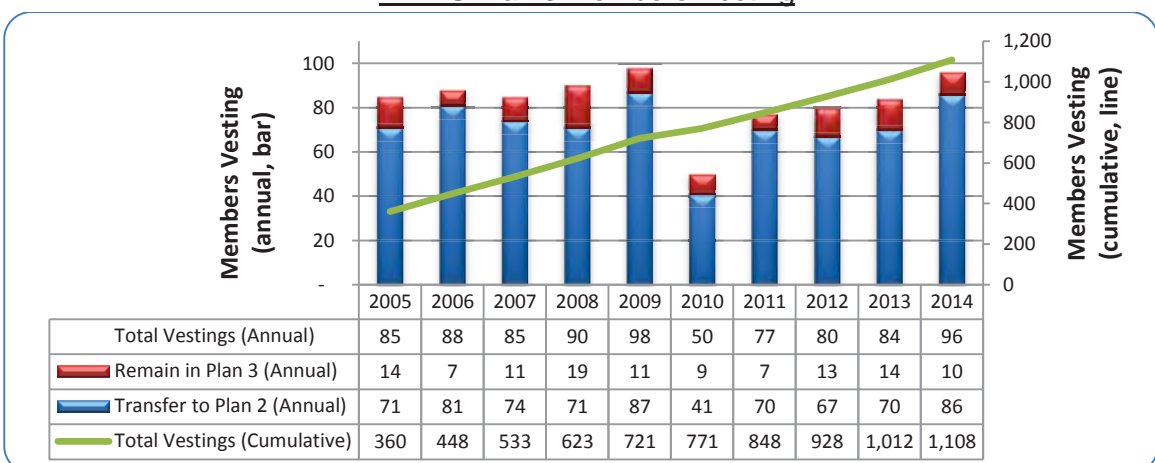
continue to make contributions to the System and the participant's monthly retirement benefit is posted to a notational account, which accumulates with interest. Upon leaving service, the participant receives a lump sum payment consisting of their accumulated monthly retirement benefits and interest and thereafter begins receiving their monthly pension benefit. The PFRS DROP is similar to the WERS DROP; however, the PFRS DROP allows participants, at their retirement date, to select a DROP date that is one to sixty months prior to the date they terminate service. The participant must be eligible, by both age and service, to receive a retirement benefit on the selected backward DROP date. Upon leaving service, the participant receives a lump sum payment consisting of their accumulated monthly retirement benefits and interest computed as of their backward DROP date and thereafter begins receiving their monthly pension benefit. WERS DROP participation has increased somewhat consistently since inception. However, in 2011, several DROP participants also chose to participate in the Wichita Early Retirement Incentive Program (WERIP), which was offered in late 2011. This action increased DROP payments in 2011 above the historical trend, which led to lower than average DROP payments in 2012. PFRS DROP payments significantly increased in 2014 to \$7.9 million. Although the number of participants in 2014 remained consistent with the prior year, the salaries of these more tenured participants contributed to the overall increase in payments (see figure below).

WERS and PFRS DROP Payments



Defined Contribution (DC) Plan: All full-time civilian employees hired after December 31, 1993 are WERS Plan 3 members. When vested after seven years of service, WERS Plan 3 members are required to make an election to remain in WERS Plan 3 (a DC plan) or transfer to WERS Plan 2, a defined benefit (DB) plan. Upon vesting, Plan 3 members attend an education program. The program provides participants with information regarding DC and DB plans, investment options, and asset allocation to assist them in making an informed decision regarding their pension plan selection. The following figure reflects the Plan 3 members' vesting and plan elections:

WERS Plan 3 Members Vesting



Strategic Plan and Investment Policy Changes: During 2014, the Systems continued to fund new allocations based upon results of the 2010 asset allocation/liability study, which became effective in 2011. A new commodities manager, Wellington, was selected to replace GE Asset Management, which closed its commodities fund in 2013.

In 2013, the Joint Investment Committee (JIC) reviewed, and both WRS Boards adopted, additional changes to the Strategic Plan and Investment Policies applicable to the Fund's international equity structure which became effective in July 2013. Major components included: 1) adding a passive core allocation; 2) adding a small-cap allocation; 3) removing the active core plus allocation; and 4) moving from the Morgan Stanley Capital International, All Country World Index ex-U.S. (MSCI ACWI ex-US) to the Morgan Stanley Capital International, All Country World Index ex-U.S. Investable Market Index (MSCI ACWI ex-U.S. IMI). The overall allocation to international equity was unchanged at 22%. These changes to the international equity structure were implemented in 2014.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Wichita Retirement Systems (WRS) for its comprehensive annual financial report for the fiscal year ended December 31, 2013. This was the fifteenth consecutive year that the Systems have achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

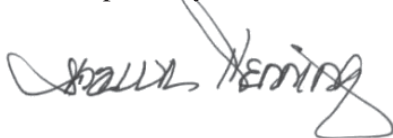
In addition, the CAFR for the fiscal year ended December 31, 2013 received the Public Pension Coordinating Council's (PPCC) Public Pension Standards Award for the twelfth consecutive year. This award is in recognition of meeting professional standards for pension plan design and administration, as set forth in the Public Pension Standards.

We believe that our plan design and administration continued to meet the PPCC award criteria during 2014 and plan to apply for the Public Pension Standards Award.

Acknowledgments

This report was made possible through the combined efforts of Pension Management Staff, the Controller's Office, and the City Treasurer. The report is intended to provide complete and reliable information in accordance with the Finance Department's policy of full financial disclosure. The report was prepared using the principles of governmental accounting and reporting as developed by the Governmental Accounting Standards Board (GASB).

Respectfully submitted,



Shawn Henning
Director of Finance



Carla Palmer
Interim Pension Manager

Boards of Trustees

Wichita Employees' Retirement System Board of Trustees

Trustee Name¹	Type of Membership
Troy Arment	Appointed by Council Member
Maria Bias	Elected
Steve Coberley	Elected
Robert Decker	Appointed by Council Member
Colleen Didier	Appointed by Council Member
Jane Hammil	Appointed by Council Member
Mark Hall (President)	Elected
Mike Hastings (2nd V.P.)	Appointed by Council Member
Shawn Henning	City Manager Appointee
Jeff Kennedy	City Manager Designee
Stephanie Mankins	Appointed by Council Member
Mark Manning	Elected
William Perkins	Elected
Sean Seamster	Elected
Melinda Walker (1st V.P.)	Elected
Vacant	Appointed by Council Member

¹Names of Trustees and Officer positions are as of December 31, 2014.

Figure 1

Police and Fire Retirement System Board of Trustees

Trustee Name¹	Type of Membership
Ronald Blackwell	Fire Chief
Carolyn Conley	Appointed by Council Member
Michael Crosby (2nd V.P.)	Fire Elected
Shawn Henning	City Manager Designee
Jason Jones (President)	Fire Elected
Kenneth Kriz	Appointed by Council Member
Nelson Mosley	Interim Police Chief
Lance Oldridge	Police Elected
Paul O'Mara	Appointed by Council Member
Chester Pinkston	Police Elected
Jose Salcido	Police Elected
Jeremy Spexarth	Fire Elected
William Wynne (1st V.P.)	Appointed by Council Member
Vacant	Appointed by Mayor
Vacant	Appointed by Council Member
Vacant	Appointed by Council Member
Vacant	Appointed by Council Member

¹Names of Trustees and Officer positions are as of December 31, 2014.

Figure 2

Organizational Chart

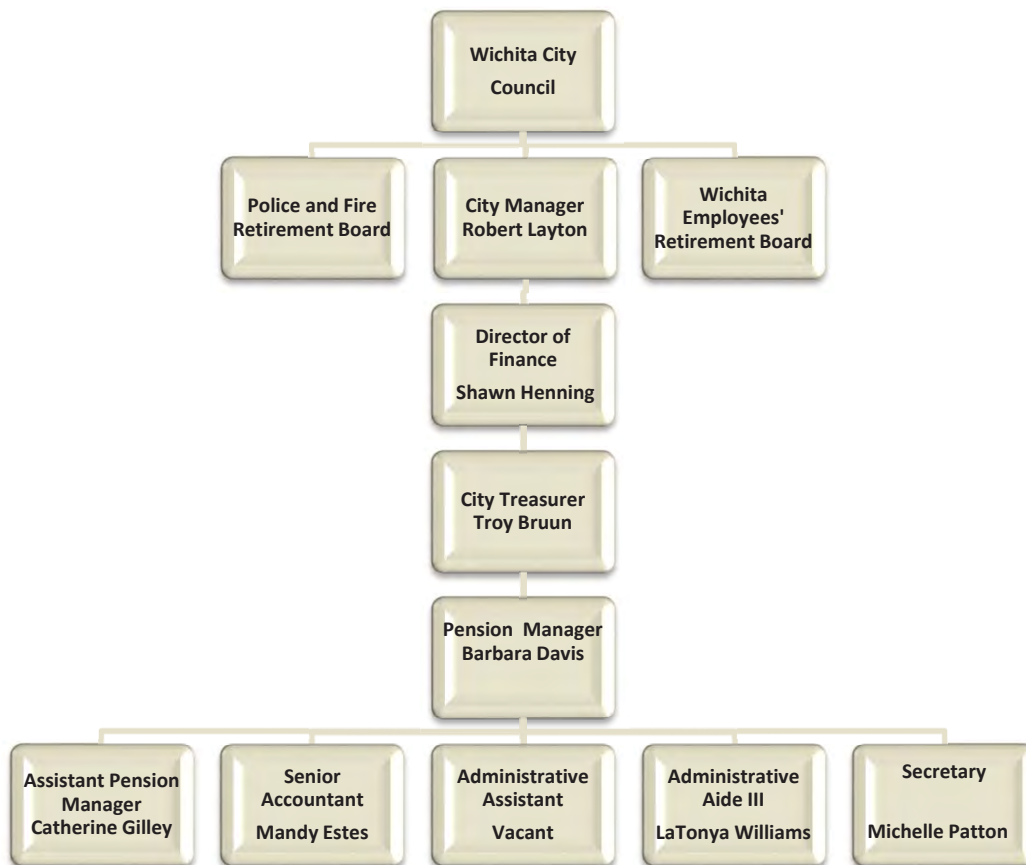


Figure 3

Principal officials and pension management positions are as of December 31, 2014

Professional Consultants

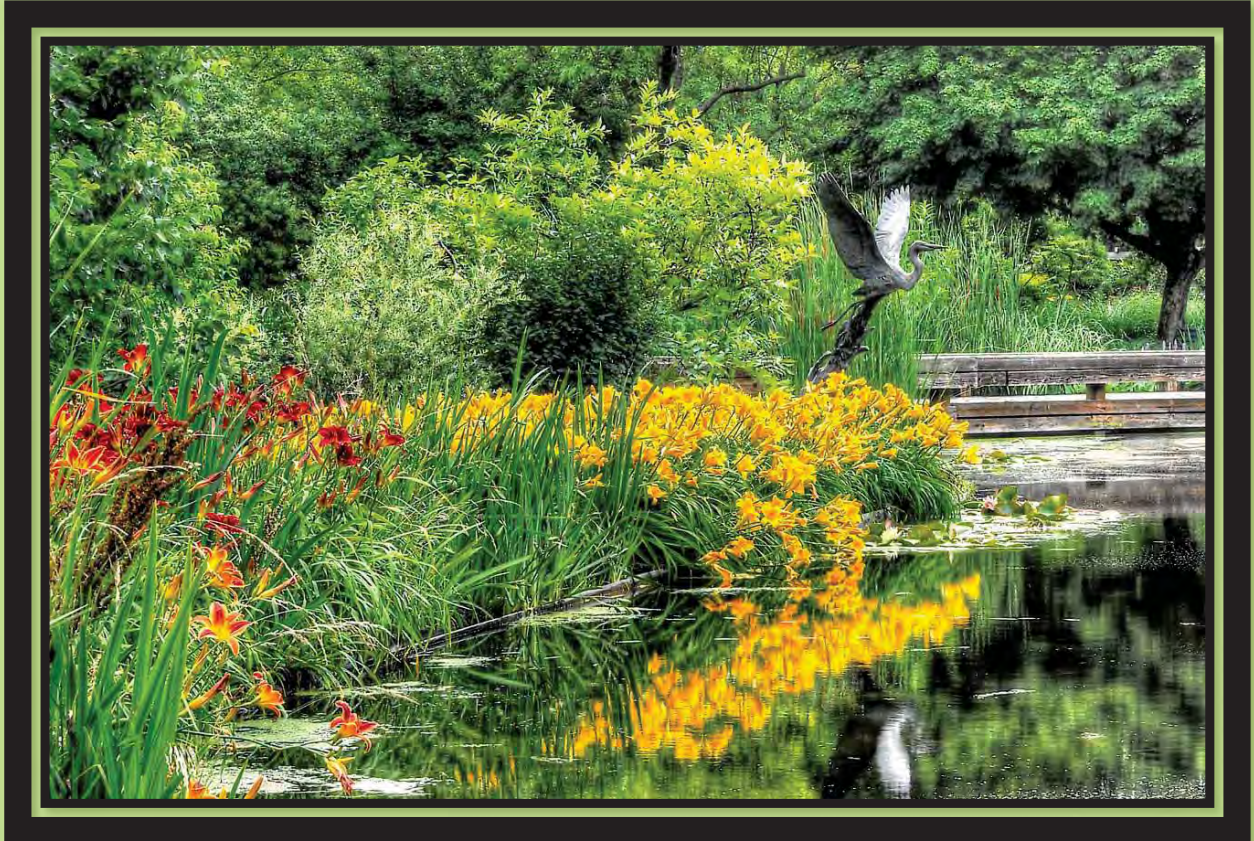
<u>Actuary</u> Cavanaugh Macdonald Consulting, L.L.C. 3906 Raynor Pkwy, Suite 106 Bellevue, Nebraska 68123	<u>Legal Services</u> Law Department, City of Wichita 455 N. Main Street, 13th Floor Wichita, Kansas 67202
<u>Financial Consultant</u> Callan Associates, Inc. 1660 Wynkoop Street, Suite 950 Denver, Colorado 80202	<u>Legal Services</u> Ice Miller, L.L.P. One American Square, Suite 3100 Indianapolis, Indiana 46282
<u>Custody Institution</u> State Street Bank and Trust Company 1200 Crown Colony Drive Quincy, Massachusetts 02169	<u>Defined Contribution Participant Accounting</u> Northeast Retirement Services 12 Gill Street Woburn, Massachusetts 01801
<u>Independent Auditors</u> Allen, Gibbs & Houlik, L.C. Epic Center, 301 N. Main Street, Suite 1700 Wichita, Kansas 67202	<u>Participant Education</u> NestEgg Consulting, Inc. 125 N. Market Street, Suite 1050 Wichita, Kansas 67202

Figure 4

A list of professional investment managers may be found on Pages 49 and 50. A schedule of fees and commissions can be found on Page 52.

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FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT



The Boards of Trustees
Wichita Retirement Systems
Wichita, Kansas

Report on the Financial Statements

We have audited the accompanying financial statements of the Wichita Retirement Systems of the City of Wichita, Kansas (the Systems), which comprise the statement of plan net position as of December 31, 2013, and the related statement of changes in plan net position for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Systems' basic financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Systems as of December 31, 2013, and the changes in the Systems' financial position for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Systems' 2012 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 24, 2013. In our opinion, the

summarized comparative information presented herein as of and for the year ended December 31, 2012, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Systems' basic financial statements. The accompanying supporting schedules on pages 30 and 31, and the introductory, investment, actuarial, and statistical sections as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supporting schedules on pages 30 and 31 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, such information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory, investment, actuarial and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2014 on our consideration of the Systems' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Systems' internal control over financial reporting and compliance.

Allen, Gibbs & Houlik, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

June 23, 2014
Wichita, Kansas

Management Discussion and Analysis

Management is pleased to provide this overview and analysis of the financial activities of the Wichita Retirement Systems (WRS) for the year ended December 31, 2014. We encourage readers to consider this information in conjunction with the letter of transmittal, which begins on Page 2 of this report.

Overview of the Financial Statements of the Fund

The two basic financial statements of the Fund are the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position. Statements are shown for the most recent and previous fiscal years for comparison and analysis in individual line items. The statements are prepared in conformity with accounting principles generally accepted in the United States.

The **Statement of Fiduciary Net Position** (see Page 14) is presented for the pension trust funds as of December 31, 2014, with combined total comparative information at December 31, 2013. The Statement of Fiduciary Net Position presents information on all of the Systems' assets and liabilities, with the difference between the two reported as net position restricted for pensions. The statement is a snapshot of the financial position of the Systems at the close of the fiscal year.

The **Statement of Changes in Fiduciary Net Position** (see Page 15) is presented for the pension trust funds for the year ended December 31, 2014, with combined total comparative information for the year ended December 31, 2013. The statement presents information showing how the Systems' net position changed during the fiscal year.

The **Notes to the Financial Statements** (see Page 16) provide additional information, which is not included in the statements themselves, but is essential for a full understanding of the financial statements.

The **Required Supplementary Information** (see Page 30) consists of schedules and related notes concerning significant actuarial information and assumptions. These schedules and notes emphasize the long-term nature of pension plans and show the progress of each system in accumulating sufficient assets to pay future benefits.

The **Schedules of Changes in the Employer's Net Pension Liability and Related Ratios** (see Page 30) presents detailed information about the pension liabilities for which the pension plan's assets are held and managed. The schedule is intended to assist financial statement users in understanding the magnitude of the pension liability and the degree to which net position restricted for pensions is sufficient to cover the liability.

The **Schedules of Employer Contributions** (see Page 32) show the amount of actuarially determined required contributions relative to the actual contributions made during the year. This schedule also presents covered payroll and contributions as a percentage of covered payroll to provide an economic context for the amounts of contributions reported.

The **Schedule of Investment Returns** (see Page 34) shows the money-weighted rate of return on investments, net of investment expense. The money-weighted rate of return is a method for calculating investment performance on pension investments that adjusts for the changing amounts actually invested.

The **Notes to the Required Supplementary Information** (see Page 34) include the actuarial methods and assumptions used to determine the data included in the Schedules of Changes in the Employer's Net Pension Liability and Related Ratios and the Schedules of Employer Contributions.

The **Supplementary Information** beginning on Page 36 includes a schedule of **Administrative Expenses** (see Page 36), a schedule of **Investment Expenses** (see Page 36) and a schedule of **Payments to Consultants Other Than Investment Advisors** (see Page 37) to show detail of the administrative and investment costs to operate the Systems.

Financial Statement Analysis

Fiduciary Net Position

The fiduciary net position increased by \$15.9 million during the 2014 fiscal year. This change primarily consisted of a \$17.0 million increase in cash and investments, mostly due to the appreciation of investment holdings. The investment return was 5.67% for the year ended December 31, 2014. Investment returns by asset class were: domestic equity 10.66%, international equity (4.06)%, domestic fixed income 6.68%, real estate 14.48% and timber 2.79%.

As of December 31, 2014, total securities lending obligations decreased by \$8.3 million, as compared to December 31, 2013. Several factors influence the amount of securities lent at any point in time, including the demand for the securities, the negotiated rebate rate and the overall market volatility.

Comparative summary financial statements for fiscal years 2013 and 2014 are shown below (see Figure 5 and Figure 6).

Summary of Fiduciary Net Position

	2014	2013	Increase (Decrease)
Assets			
Total cash and investments	\$ 1,197,077,295	\$1,180,074,551	\$ 17,002,744
Total capital assets (net of depreciation)	108,066	290,611	(182,545)
Total receivables	15,705,048	24,504,234	(8,799,186)
Securities lending short-term collateral investment pool	73,614,900	81,956,461	(8,341,561)
Total assets	1,286,505,309	1,186,825,857	(320,548)
Liabilities			
Accounts payable and accrued expenses	2,232,594	1,235,509	997,085
Investment purchases pending	26,177,044	35,069,489	(8,892,445)
Securities lending obligations	73,614,900	81,956,461	(8,341,561)
Total liabilities	102,024,538	118,261,459	(16,236,921)
Fiduciary Net Position	\$ 1,184,480,771	\$1,168,564,398	\$ 15,916,373

Figure 5

Summary of Changes in Fiduciary Net Position

	2014	2013	Increase (Decrease)
Additions			
Contributions			
Employer	\$ 24,076,878	\$ 23,996,680	\$ 80,198
Employee	8,113,496	8,028,412	85,084
Net investment income	59,594,917	195,317,084	(135,722,167)
Reclassifications due to participant conversion	2,942,734	2,465,600	477,134
Total additions	94,728,025	229,807,776	(135,079,751)
Deductions			
Pension benefits	72,736,422	66,531,806	6,204,616
Pension administration	984,875	879,766	105,109
Depreciation	182,543	182,543	-
Employee contributions refunded	1,965,078	1,982,959	(17,881)
Reclassifications due to participant conversion	2,942,734	2,465,600	477,134
Total deductions	78,811,652	72,042,674	6,768,978
Net increase (decrease) in Fiduciary Net Position	15,916,373	\$ 157,765,102	(141,848,729)
Net Position – beginning	1,168,564,398	1,010,799,296	157,765,102
Net position – ending	\$1,184,480,771	\$1,168,564,398	\$ 15,916,373

Figure 6

Additions to Fiduciary Net Position

Additions to fiduciary net position that are needed to finance Plan benefit obligations come primarily from employer and employee contributions and net earnings on investments. For the year ended December 31, 2014, additions totaled \$94.7 million, which is a \$135.0 million decrease from the 2013 additions of \$229.8 million. Employer and employee contributions remained consistent with amounts reported in 2013. However, net investment income decreased by \$135.7 million from the prior year.

Deductions from Fiduciary Net Position

Deductions from fiduciary net position are consistent with characteristics of a mature pension system. Pension benefits increased from \$66.5 million in 2013 to \$72.7 million in 2014, or approximately \$6.2 million or 9.3%. This increase is due to new pensioners with benefits based on higher salaries being added to the pension payroll. In addition, DROP and Back DROP payments increased \$2.8 million, or 25.2% over 2014.

Requests for Information

Questions regarding any information provided in this report should be addressed to the Pension Management Office, City of Wichita, 455 N. Main St., 12th Floor Wichita, KS 67202.

Wichita Retirement Systems Statement of Fiduciary Net Position

December 31, 2014
(with comparative totals as of December 31, 2013)

	Police and Fire Retirement System	Employees' Retirement System	Employees' Retirement Plan 3	Totals	
				2014	2013
ASSETS					
Cash and temporary investments	\$ 477,041	\$ 279,968	\$ 37,359	\$ 794,368	\$ 806,493
Receivables:					
Investment sales pending	6,210,395	5,619,380	177,044	12,006,819	20,684,984
Interest and dividends	1,320,171	1,194,536	37,635	2,552,342	2,788,710
Other	607,254	489,955	48,678	1,145,887	1,030,540
Total receivables	8,137,820	7,303,871	263,357	15,705,048	24,504,234
Investments, at fair value:					
Government short-term investment fund	18,368,874	16,620,791	523,655	35,513,320	28,810,870
Government securities: long-term	23,023,664	20,832,452	672,073	44,528,189	41,769,993
Corporate debt instruments: long-term	47,654,375	43,119,006	1,391,057	92,164,438	86,308,355
Mortgage and asset-backed securities	40,298,580	36,463,277	1,176,337	77,938,194	73,863,160
Corporate stocks: domestic equities	225,697,502	204,217,386	6,588,230	436,503,118	438,046,582
Corporate stocks: international equities	52,383,258	47,397,830	1,529,095	101,310,183	204,117,335
Real estate	33,381,234	30,204,271	974,416	64,559,921	62,009,396
Timber	12,274,441	11,106,255	358,297	23,738,993	24,854,838
Value of interest in pooled funds:					
Commodities	13,600,177	12,305,819	396,996	26,302,992	-
Target date funds	-	-	3,294,383	3,294,383	2,756,523
International fixed income	3,778,191	3,418,612	110,287	7,307,090	6,970,523
High yield fixed income	4,381,246	3,964,273	127,891	8,473,410	8,953,804
U.S. TIPS	17,371,691	15,718,390	507,089	33,597,170	24,676,427
Domestic equities	49,711,902	44,980,714	1,451,117	96,143,733	131,201,951
International equities	74,951,961	67,819,123	2,136,709	144,907,793	44,928,301
Securities lending short-term collateral investment pool	38,076,497	34,452,929	1,085,474	73,614,900	81,956,461
Total investments	654,953,593	592,621,128	22,323,106	1,269,897,827	1,261,224,519
Capital assets:					
Pension software	453,543	453,543	388,751	1,295,837	1,295,837
Less accumulated depreciation	(415,718)	(415,718)	(356,335)	(1,187,771)	(1,005,226)
Total capital assets (net of depreciation)	37,825	37,825	32,416	108,066	290,611
Total assets	663,606,279	600,242,792	22,656,238	1,286,505,309	1,286,825,857
LIABILITIES					
Accounts payable and accrued expenses	898,938	1,305,771	27,885	2,232,594	1,235,509
Investment purchases pending	13,539,788	12,251,268	385,988	26,177,044	35,069,489
Securities lending obligations	38,076,497	34,452,929	1,085,474	73,614,900	81,956,461
Total liabilities	52,515,223	48,009,968	1,499,347	102,024,538	118,261,459
NET POSITION					
Restricted for pensions	\$ 611,091,056	\$ 552,232,824	\$ 21,156,891	\$ 1,184,480,771	\$ 1,168,564,398

Figure 7

The accompanying Notes to the Financial Statements are an integral part of this statement.

Wichita Retirement Systems

Statement of Changes in Fiduciary Net Position

For the year ended December 31, 2014
(with comparative totals for the year ended December 31, 2013)

	Police and Fire Retirement System	Employees' Retirement System	Employees' Retirement Plan 3	Totals	
				2014	2013
ADDITIONS					
Contributions:					
Employer	\$ 14,464,181	\$ 8,464,927	\$ 1,147,770	\$ 24,076,878	\$23,996,680
Employee	4,529,895	2,435,831	1,147,770	8,113,496	8,028,412
Total contributions	18,994,076	10,900,758	2,295,540	32,190,374	32,025,092
Investment income:					
From investment activities					
Net appreciation in fair value of investments	17,482,735	15,935,619	711,269	34,129,623	171,885,510
Interest and dividends	16,009,243	14,605,740	482,487	31,097,470	28,434,475
Commission recapture	11,105	10,114	336	21,555	32,688
Total investing activity income	33,503,083	30,551,473	1,194,092	65,248,648	200,352,673
Less investment expense	3,059,394	2,795,662	94,480	5,949,536	5,294,099
Net income from investing activities	30,443,689	27,755,811	1,099,612	59,299,112	195,058,574
From securities lending activities					
Securities lending income	114,088	105,401	4,176	223,665	251,167
Securities lending activities expenses:					
Borrower rebates	(100,165)	(89,782)	(3,076)	(193,023)	(106,127)
Management fees	61,875	56,368	2,640	120,883	98,784
Total securities lending activities expenses	(38,290)	(33,414)	(436)	(72,140)	(7,343)
Net income from securities lending activities	152,378	138,815	4,612	295,805	258,510
Total net investment income	30,596,067	27,894,626	1,104,224	59,594,917	195,317,084
Reclassifications due to participant conversion	-	2,942,734	-	2,942,734	2,465,600
Total additions	49,590,143	41,738,118	3,399,764	94,728,025	229,807,776
DEDUCTIONS					
Pension benefits	35,957,733	36,778,689	-	72,736,422	66,531,806
Pension administration	478,320	441,869	64,686	984,875	879,766
Depreciation	63,887	63,888	54,768	182,543	182,543
Employee contributions refunded	457,423	400,433	1,107,222	1,965,078	1,982,959
Reclassifications due to participant conversion	-	-	2,942,734	2,942,734	2,465,600
Total deductions	36,957,363	37,684,879	4,169,410	78,811,652	72,042,674
Net increase (decrease) in net position	12,632,780	4,053,239	(769,646)	15,916,373	157,765,102
Net position - beginning	598,458,276	548,179,585	21,926,537	1,168,564,398	1,010,799,296
Net position - ending	\$ 611,091,056	\$ 552,232,824	\$ 21,156,891	\$ 1,184,480,771	\$1,168,564,398

Figure 8

The accompanying Notes to the Financial Statements are an integral part of this statement.

Notes to the Financial Statements

The Wichita Employees' Retirement System, the Police and Fire Retirement System of Wichita, and the Wichita Employees' Retirement System Plan 3 are reported as pension trust funds of the City of Wichita and its component units (the reporting entity). The plans consist of two single-employer defined benefit pension plans and a single-employer defined contribution plan, covering all full-time employees.

The defined benefit plans include the Wichita Employees' Retirement System (WERS) and the Police and Fire Retirement System (PFRS). A separate Board of Trustees administers each System. The defined contribution plan consists of the Wichita Employees' Retirement System Plan 3, which is also administered by the Wichita Employees' Retirement System Board of Trustees.

The WERS Board of Trustees is comprised of 16 members including the City Manager or the City Manager's designee, one employee appointed by the City Manager, seven members appointed by the City Council, and seven employees elected by the WER employee members. The single-employer defined contribution plan consists of the Wichita Employees' Retirement System Plan 3 that is also governed by the Wichita Employees' Retirement System Board of Trustees. The PFRS Board of Trustees is comprised of 16 members including the City Manager or the City Manager's designee, the Chief of the Police Department, the Chief of the Fire Department, seven members appointed by the City Council, three fire officers elected by PFRS employee members in the Fire Department or the Airport and three police officers elected by PFRS employee members in the Police Department.

Summary of Significant Accounting Policies and Plan Asset Matters

Measurement Focus and Basis of Accounting: The Wichita Employees' Retirement System, Police and Fire Retirement System, and the Wichita Employees' Retirement System Plan 3 are reported as pension trust funds of the City of Wichita, Kansas in the City's financial statements using the economic resources measurement focus and the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

The Plans have adopted GASB Statement 67, Financial Reporting for Pension Plans, for the year ended December 31, 2014. GASB 67 requires, among other things, the notes to the financial statements include additional descriptive information about investments, the types of benefits provided, the classes of plan members covered, the composition of the System's boards, and information on the total pension liability, fiduciary net position, and net pension liability. GASB 67 also revises the required supplementary information to include further details on the net pension liability and changes to that liability.

Method Used to Value Investments: Investments are reported at fair value. Short-term investments are reported at cost plus accrued interest, which approximates fair value. Securities traded on national or international exchanges are valued at the last trade price of the day. If no close price exists, then a bid price is used. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar investments. The Systems invest in treasury strips and various asset-backed securities, such as collateralized mortgage obligations and credit card trusts. The fair value of real estate and timber investments is based upon independent appraisals. Investments that do not have an established market are reported at their estimated fair value.

Capital Assets: Capital assets include hardware and software. Capital assets are defined as assets with an initial individual minimum cost of \$5,000 or more. Capital assets are valued at historical cost. Major outlays for capital assets and improvements are capitalized as projects are constructed. Capital assets are depreciated using the straight-line method over useful lives of one to thirty-three years for office equipment and seven to twenty years for data processing software.

Management of Plan Assets: The Boards of Trustees of the Systems have contractual arrangements with independent money managers for investment of the assets of the Systems. The firms have been granted discretionary authority concerning purchases and sales of investments within guidelines established by City Ordinances and the Strategic Plan and Investment Policies adopted by the Boards of Trustees. The Boards of Trustees of the Systems also have contractual arrangements with independent firms which monitor the investment decisions of the Systems' investment managers.

Estimates: Preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires making estimates and assumptions that affect: 1) the reported amounts of assets and liabilities; 2) disclosures, such as contingencies; and 3) the reported amounts of revenues and expenses included in the financial statements. Actual results could differ from those estimates. Some of the more significant estimates include the valuation of certain investments described in the Notes to the Financial Statements and the actuarial data included in the Required Supplementary Information.

Prior Year Comparative Information: The basic financial statements include certain prior year comparative information that is summarized in total, but not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Systems' financial statements for the year ended December 31, 2013, from which the summarized information has been derived.

Reserves and Concentrations of Credit Risks: There are no assets legally reserved for purposes other than the payment of plan member benefits. The plans held no individual investments (other than U.S. Government and U.S. Government guaranteed obligations) where the fair value exceeded 5% or more of the net position available for pension benefits. There are no long-term contracts for contributions.

Pending Governmental Accounting Standards Board (GASB) Statements: GASB Statement 72, Fair Value Measurement and Application, provides guidance for determining a fair value measurement for financial reporting purposes. This Statement requires disclosures to be made about fair value measurements, the level of fair value hierarchy, and valuation techniques. It also requires additional disclosures regarding investments in certain entities that calculate net asset value per share (or its equivalent). The requirements of this Statement are effective for financial statements for the Plans' fiscal year ending December 31, 2016.

Insurance

The WRS participate in the City of Wichita's self-insurance fund programs for workers' compensation, group life insurance, employee liability, property damage, auto liability and general liability. There were no settlements in excess of insurance coverage in any of the three prior fiscal years. Additional information, including a general description of each program, can be found in the Comprehensive Annual Financial Report issued by the City of Wichita.

Cash, Investments and Securities Lending

Investments of the Pension Trust Funds: City Ordinance (49-036; Section 2.28.090) authorizes the Wichita Employees' Retirement System and City Ordinance (Charter Ordinance 215; Section 12) authorizes the Police and Fire Retirement System to invest trust fund assets in accordance with the prudent person rule, subject to the following limitations: 1) The proportion of funds invested in corporate preferred and common stock shall not exceed 70%; and (2) the proportion of funds invested in foreign securities shall not exceed 35%. Additionally, the Systems are not permitted to invest directly or indirectly in any:

1. Real estate, except in certain pooled arrangements with the amount of such investment not to exceed 10% of the Fund;
2. Private equity, except in a commingled fund-of funds vehicle operated by a registered investment advisor or a bank with the amount of such investment not to exceed 10% of the Fund;
3. Timber, except in a commingled fund vehicle operated by a registered investment advisor or a bank. The amount of such investment shall not exceed 10% of the Fund;
4. Mortgages secured by real estate, except insured mortgages under Titles 203, 207, 220 and 221 of the Federal Housing Act;
5. Oil and gas leases or royalties; or
6. Commodities (including, but not limited to, wheat, gold, gasoline, options, or financial futures); provided however, that the restriction on investments contained in this paragraph shall not apply to funds which are invested in a mutual fund, separate account or commingled fund operated by a registered investment advisor or insurance company.

With the exception of the \$794,368 held in the City's pooled funds, as of December 31, 2014 all of the deposits and investments of the Wichita Employees' and Police and Fire Retirement Systems are held in a joint investment fund that

is invested by outside money managers and held under a custodial agreement. The Pension Boards have adopted the Strategic Plan and Investment Policies which set forth, in detail, the asset allocation for the fund and restrictions applicable to specific investment types to mitigate risk. The policies permit investment in six asset types: domestic equities, international equities, domestic fixed income, real estate, timber, and commodities.

The investments of the WRS on December 31, 2014 are listed in Figure 9 below.

Wichita Retirement Systems' Investments

Type of Investment	Fair Value
Government short-term investment fund	\$ 35,513,320
Government securities, long-term	44,528,189
Corporate debt instruments, long-term	92,164,438
Mortgage and asset-backed securities	77,938,194
Corporate stocks, domestic common	436,503,118
Corporate stocks, international common	101,310,183
Real estate	64,559,921
Timber	23,738,993
Value of interest in pooled funds, commodities	26,302,992
Value of interest in pooled funds, target date funds	3,294,383
Value of interest in pooled funds, international fixed income	7,307,090
Value of interest in pooled funds, high yield fixed income	8,473,410
Value of interest in pooled funds, U.S. TIPS	33,597,170
Value of interest in pooled funds, domestic equities	96,143,733
Value of interest in pooled funds, international equities	144,907,793
Securities lending short-term collateral investment pool	73,614,900
Total investments	\$ 1,269,897,827

Figure 9

The pension funds invest in various asset-backed securities such as collateralized mortgage obligations (CMO's) and credit card trusts to maximize yields and reduce the impact of interest rate changes. These securities are based on cash flows from principal and interest payments on the underlying assets. For example, CMO's break up the cash flows from mortgages into categories with defined risk and return characteristics called tranches. The tranches are differentiated by when the principal payments are received from the mortgage pool. Changes in interest and mortgage prepayment rates may affect the amount and timing of cash flows, which would also affect the reported estimated fair values. The pension funds utilize a combination of asset-backed securities, which vary in their degree of volatility. Although considerable variability is inherent in such estimates, management believes the estimated fair values are reasonable estimates.

The pension funds also invest in real estate through real estate investment trusts (REITS). The fair values of these investments are estimated using the net asset value of the Systems' shares owned in each trust. Market conditions have had an impact on the estimated fair value of real estate investments. Restrictions on the availability of real estate financing, as well as economic uncertainties, have affected the volume of purchase and sale transactions. As a result, the estimates and assumptions used in determining the fair values of the real estate investments are inherently subject to uncertainty.

Custodial Credit Risk: The custodial credit risk for deposits is the risk that in the event of a bank failure, the WRS' deposits may not be recovered. On December 31, 2014, the WRS' cash deposits in the amount of \$794,368 were included in the City's pooled cash and temporary investments. As of December 31, 2014, all deposits held in the City's pooled funds were fully collateralized by securities or other collateral held by an outside party. The WRS' debt securities investments were registered in the name of WRS and were held in the possession of the WRS' custodial bank, State Street.

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Interest rate risk is managed using the modified duration methodology. Duration is a measure of a fixed income's cash flow using present values, weighted for cash flows as a percentage of the investment's full price. The modified duration methodology estimates the sensitivity of a bond's price to interest rate changes.

The WRS manage their exposure to fair value loss arising from increasing interest rates by complying with the following policy:

1. Fixed income managers have full discretion over the issuers selected and may hold any mix of fixed income securities and cash equivalents.
2. Portfolio duration for nominal fixed income managers must not be less than 80% nor more than 120% of the duration of the Barclays Capital Aggregate Bond Index, unless the Joint Investment Committee prospectively grants a written exception. As of December 31, 2014, the duration of the Index was 5.55 years, which equated to a minimum and maximum range for each fixed income portfolio of 4.44 years and 6.66 years, respectively.

Portfolio duration for Treasury Inflation Protected Securities (TIPS) fixed income managers must not be less than 80% nor more than 120% of the duration of the Barclays Capital US TIPS Index. As of December 31, 2014, the duration of the Index was 7.84 years, which equated to a minimum and maximum range for each TIPS portfolio of 6.27 years and 9.41 years, respectively.

The modified duration of investments, expressed in years, on December 31, 2014 is shown in Figure 10, below:

Modified Duration of Investments

Investment Type	Fair Value	Percent of all Fixed Income Assets	Weighted Average Modified Duration (years)
Corporate debt instruments, long-term	\$ 92,164,438	30.8%	6.1
Mortgage and asset-backed securities	77,938,194	26.0	4.1
Government securities long-term	44,528,189	14.9	10.0
Actively managed investments	214,630,821	71.7	6.2
Government short-term investment fund	35,513,320	11.9	0.1
Pooled U.S. TIPS	33,597,170	11.2	7.7
Pooled high yield fixed income securities	8,473,410	2.8	2.1
Pooled international fixed income securities	7,307,090	2.4	4.9
Total	\$ 299,521,811	100.0%	

Figure 10

Credit Risk of Debt Securities: Credit risk is the risk that an issuer of an investment will not fulfill its obligations. The WRS manage exposure to investment credit risk by adhering to the following policies: (1) For active core domestic fixed income investments, at the time of purchase, bonds and preferred stocks must be rated at least "A2/A/A" or higher using the middle rating of Moody's, Standard & Poor's, and Fitch after dropping the highest and lowest available ratings. When a rating from only two agencies is available, the lower ("more conservative") rating is used. When a rating from only one agency is available, that rating is used to determine credit quality; and (2) For core-plus domestic fixed income investments, the weighted average credit quality of the portfolio will not fall below "A2/A/A" or equivalent; when determining credit quality, the middle rating of Moody's, Standard & Poor's, and Fitch is used after dropping the highest and lowest available ratings. When a rating from only two agencies is available, the lower ("more conservative") rating is used. When a rating from only one agency is available, that rating is used to determine credit quality. Throughout 2014, no securities were purchased that were below the established credit quality minimum in the active core portfolio and the weighted average credit quality of the active core plus portfolio did not fall below the established credit quality rating.

Figure 11 shows the debt investments held by the WRS on December 31, 2014, as rated by Standard & Poor's or an equivalent nationally recognized statistical rating organization.

Credit risk for investment derivative instruments results from counterparty risk assumed by the WRS. This is essentially the risk that the counterparty to a WRS' transaction will be unable to meet its obligation. See Figure 14 on Page 22 for information regarding the WRS' credit risk related to derivatives.

Concentration Credit Risk: Concentration of credit risk is the risk of loss that may be attributed to the magnitude of an entity's investment with a single issuer. The WRS' investment in debt securities had no single issuer of investments that represented 5% or more of the plan assets, with exception of investments issued or implicitly guaranteed by the U.S. government and investments in mutual funds, as delineated in the WRS' investment policies.

Rate of Return: The annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 5.18% for the year ended December 31, 2014. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for changing amounts actually invested.

Actuarial Rate of Return Assumption: The long-term expected rate of return on pension plan investments is reviewed as part of the regular experience study prepared for the System. Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and an analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation), along with estimates of variability and correlations for each asset class. These ranges were combined to develop the long-term expected rate of return by weighting the expected future real rates of return by targeting the asset allocation percentage and then adding expected inflation. The long-term rate of return assumption is intended to be a long-term assumption (30 to 50 years) and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. The target asset allocation and best estimates of geometric real rates of return (net of 2.25% inflation assumption) for each major asset class is summarized in Figure 12.

Standard & Poor's Investment Ratings

Quality Rating	Debt Securities
AAA	\$ 40,186,899
AA+	95,439,990
AA	5,088,752
AA-	4,775,768
A+	13,752,183
A	25,384,900
A-	24,785,942
BBB+	16,785,278
BBB	5,377,417
BBB-	5,880,872
BB+	2,543,622
BB	1,385,699
BB-	4,216,864
B+	6,155,553
B	364,707
B-	1,308,955
CCC+	125,413
CCC	1,862,101
CCC-	227,271
CC	-
D	1,562,274
NR	6,798,031
Total credit risk debt securities	264,008,491
Government short-term investment fund ¹	35,513,320
Total investment in debt securities	\$299,521,811

¹ While the government short-term investment fund itself is not rated, the average quality of the holdings of the Government Short-Term Investment Fund on December 31, 2014 was A-1+P1.

Figure 11

Long-term Expected Real Rate of Return

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*
Broad U.S. Equity	40%	5.35%
Broad International Equity	22%	5.25%
Broad U.S. Fixed Income	22%	0.75%
TIPS	3%	0.75%
Real Estate	5%	3.90%
Timber	5%	4.65%
Commodities	3%	0.80%
Total	100%	

*Geometric mean, net of investment expenses

Figure 12

Foreign Currency Risk: Currency risk arises due to foreign exchange rate fluctuations. The WRS' investment policies manage the exposure to foreign currency risk by allowing the international securities investment managers to enter into forward exchange or future contracts on foreign currency provided such contracts have a maturity of less than one year. Currency contracts are only to be utilized for the settlement of securities transactions and defensive hedging of currency positions.

All forward foreign currency contracts are carried at fair value by the WRS. As of December 31, 2014, the Systems held forward currency contracts with an unrealized gain of \$73,787. If held, sales of forward currency contracts are receivables and are reported as investment sales pending in the financial statements.

The WRS' exposure to foreign currency risk on December 31, 2014 is as follows (see Figure 13):

Exposure to Foreign Currency Risk

Currency	Cash and Cash Equivalents	Debt Securities	Equities	Total
Australian dollar	\$ 5,458	\$ -	\$ 6,897,682	\$ 6,903,140
Danish krone	-	-	1,119,581	1,119,581
Euro	180,175	-	36,020,892	36,201,067
Hong Kong dollar	6	-	3,427,759	3,427,765
Japanese yen	-	-	21,206,237	21,206,237
Mexican peso	122,088	2,239,231	-	2,361,319
New Zealand dollar	-	-	684,625	684,625
Norwegian krone	7,915	-	713,640	721,555
Pound sterling	80,461	-	19,839,818	19,920,279
Singapore dollar	27,043	-	1,176,409	1,203,452
Swedish krona	-	-	1,687,280	1,687,280
Swiss franc	23,207	-	8,457,004	8,480,211
International mutual funds (various currencies)	-	7,307,090	-	7,307,090
Total exposure to foreign currency risk	\$ 446,353	\$ 9,546,321	\$101,230,927	\$111,223,601

Figure 13

Other Risk Information: Recent market conditions have resulted in an unusually high degree of volatility and increased risks associated with certain investments held by the City, the Wichita Employees' Retirement System, and the Police and Fire Retirement System. As a result, it is at least reasonably possible that changes in the fair values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the financial statements. In addition, for the pensions systems, declines in the fair values of Plan assets could ultimately affect the funded status of the Plans. The ultimate impact on the funded status will be determined based upon market conditions in effect when the annual valuation is performed.

Derivatives: Investment derivative instruments are financial contracts for which the value of the contract is dependent upon the values of one or more underlying asset, reference rate, or financial index. They include futures contracts, swap contracts, options contracts, rights, and forward foreign currency exchanges. While the WRS has no formal policy specific to investment derivatives, the WRS, through its external investment managers, held a variety of these instruments as of December 31, 2014. The WRS enter into these investment derivative instruments primarily to enhance the performance, reduce the volatility of its investment portfolio, and to manage interest rate risk. The investment derivative instruments held by the WRS on December 31, 2014 are shown in Figure 14. The notional values associated with these derivative instruments are generally not recorded in the financial statements; however, the exposure amounts on these instruments are included in the fair value of investments in the Statement of Fiduciary Net Position and the total changes in fair value for the year are included as investment income in the Statement of Changes in Fiduciary Net Position.

The fair value of derivative investments is based upon the exchanges when available. When an exchange is not available, estimated fair values are determined in good faith by using information from J.P. Morgan traders and other market participants, including methods and assumptions considering market conditions and risks existing at the date of the Statement of Fiduciary Net Position. Such methods and assumptions incorporate standard valuation conventions and techniques, such as discounted cash flow analysis and option pricing models. All methods utilized to estimate fair values result only in general approximations of value.

Investment Derivative Instruments

Type	Classification	Change in Fair Value	Notional Value	Exposure/ Fair Value	Counterparty	Counterparty Rating
Credit Default Swap Bought	Investment Revenue	\$ 21,448	\$ -	\$ -	Goldman Sachs CME	A-
Credit Default Swap Written	Investment Revenue	944	160,000	910	Deutsche Bank Securities, Inc.	A
Credit Default Swap Written	Investment Revenue	6,066	270,000	-	Deutsche Bank AG New York	A
Credit Default Swap Written	Investment Loss	(643)	130,000	963	Barclays De Zoete Wedd	A
Credit Default Swap Written	Investment Revenue	18,852	-	-	Goldman Sachs CME	A-
Fixed Income Futures Long	Investment Revenue	838,528	15,200,000	225,005		
Fixed Income Futures Short	Investment Loss	(690,210)	(17,650,000)	(238,444)		
Foreign Currency Futures Short	Investment Revenue	61,881	(375,000)	12,863		
Foreign Currency Options Bought	Investment Loss	(17,907)	19,700	8,770		
Foreign Currency Options Written	Investment Revenue	7,944	-	-		
Futures Options Bought	Investment Loss	(70,311)	33,000	13,922		
Futures Options Written	Investment Revenue	143,874	(212,500)	(19,938)		
FX Forwards	Investment Revenue	424,693	2,503,425	80,436	Citibank N.A. London	A
FX Forwards	Investment Loss	(34,286)	1,151,695	(34,286)	Bank of America N.A.	A
FX Forwards	Investment Revenue	66,734	838,564	27,636	Barclays Bank PLC Wholesale	A
FX Forwards	Investment Loss	(78,632)	-	-	State Street Bank London	AA-
Receive fixed interest rate swaps	Investment Revenue	13,558	-	-	Goldman Sachs CME	A-
Pay fixed interest rate swaps	Investment loss	(18,429)	-	-	Goldman Sachs CME	A-
Rights	Investment Revenue	513	9,487	-		
Totals		\$ 694,617	\$ 2,078,371	\$ 77,837		

Figure 14

Securities Lending Transactions: Policies of the Board of Trustees for the Wichita Employees' Retirement and Police and Fire Retirement Systems permit the lending of securities to broker-dealers and other entities (borrowers) with a simultaneous agreement to return the collateral for the same securities in the future. The WRS' custodial bank, State Street, is the lending agent for the Systems' domestic securities for initial collateral of 102% of the fair value of the loaned securities, international equity securities for initial collateral of 105% of the fair value of such securities, and the initial collateral received for loans of United Kingdom (UK) gilts shall have a value of at least 102.5% of the fair value of such UK gilts. Collateral may consist of cash (U.S. and foreign currency), securities issued or guaranteed by the U.S. government or its agencies or instrumentalities, irrevocable bank letters of credit issued by a person other than the securities borrower or affiliate, if determined appropriate by the agent under the securities lending programs it administers and such other collateral as the parties may agree to in writing.

The collateral securities cannot be pledged or sold by the WRS unless the borrower defaults. The lending agent shall require additional collateral from the borrower whenever the value of loaned securities exceeds the value of the collateral in the agent's possession, so that collateral always equals or exceeds 100% of the fair value of the loaned securities. Contracts with the lending agent require them to indemnify the WRS if the borrowers fail to return the securities (and if the collateral is inadequate to replace the securities lent) or fail to pay the WRS for income distributions by the securities' issuers while the securities are on loan.

At year-end, the WRS had no credit risk exposure to borrowers because the amounts the WRS owe the borrowers exceeded the amounts the borrowers owed the Systems. All securities loans, whether domestic or international, are open loans and can be terminated on demand by either the system or the borrower. At year-end, loaned securities were secured with cash collateral, securities collateral, or letters of credit. The amount shown on the Statement of Fiduciary Net Position only reflects transactions where cash collateral was received. Cash collateral is invested in the lending agent's short-term investment pool, which at year-end had a weighted average maturity of 31 days. The relationship between the maturities of the investment pool and the WRS' loans is affected by the maturities of the securities loans made by other entities that use the agent's pool, which the WRS cannot determine. Also, since securities loans are terminable at will, the duration of the securities loans do not generally match the duration of the investments made with the cash collateral received from the borrower.

Custodial Credit Risk Related to Securities Lending: Custodial credit risk for lent securities is the risk that, in the event of the failure of the counterparty, the WRS will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Consistent with the WRS' securities lending policy, \$73,614,900 was held by the counterparty acting as the WRS' agent in securities lending transactions on December 31, 2014.

Capital Assets

Capital asset activity for the year ended December 31, 2014 is displayed below (see Figure 15):

	<u>Capital Assets</u>		
	Beginning Balance	Increase/ (Decrease)	Ending Balance
Pension administration hardware and software	\$ 1,295,837	\$ -	\$ 1,295,837
Less: accumulated depreciation	(1,005,226)	(182,545)	(1,187,771)
Capital assets, net	\$ 290,611	\$ (182,545)	\$ 108,066

Figure 15

Wichita Employees' Retirement System

Plan Description: The Wichita Employees' Retirement System (WERS) was established to provide retirement and survivor annuities, disability benefits, death benefits, and other benefits for all regular full-time civilian employees of the reporting entity and their dependents. Plan 1 was established by City Ordinance on January 1, 1948 and became closed to new entrants as of July 19, 1981. With the initiation of Plan 2, which was established by City Ordinance on July 18, 1981, all covered employees of Plan 1 were given the option of converting to the new plan. Plan 2 was closed to new entrants with the establishment of Plan 3 by City Ordinance, effective January 1, 1994. However, upon completion of seven years of service, employees participating in Plan 3 may convert to participation in Plan 2. Establishment of, and amendments to, the benefit provisions for the WERS are authorized by the City Council.

Deferred Retirement Option Plan (DROP) Provision: The benefit structure of the Wichita Employees' Retirement System includes a Deferred Retirement Option Plan (DROP). Both Plan 1 and Plan 2 provide a DROP provision. Members must be eligible to retire early under early reduced or normal age and/or service requirements to participate in the DROP. The maximum DROP period is five years. The monthly benefit amount is computed as of the DROP election date based on the Final Average Salary and years of service as of that date. The benefit is paid into the member's notional DROP account during the deferral or DROP period. The member and City both continue to make the required contributions during the deferral period. These contributions are not credited to the member's DROP account, but are credited to general Plan assets to improve the System's funding. Interest at an annual rate of 5.0%, compounded monthly, is credited to the notional DROP account. Voluntary termination of employment during

the DROP period results in loss of accrued interest. When the member terminates employment, the balance of the DROP account is paid as a lump sum and future monthly benefits are paid to the member. The balance of the notional DROP accounts as of the measurement date is \$3,470,883.

On December 31, 2014, the WERS defined benefit plan membership (Plan 1 and Plan 2) consisted of (Figure 16):

Defined Benefit Plan Membership

	Plan 1	Plan 2	Total
Inactive plan members or beneficiaries currently receiving benefits	768	573	1,341
Inactive plan members entitled, to but not yet receiving benefits	-	147	147
Active plan members	8	989	997
Total membership	776	1,709	2,485

Figure 16

Eligibility Factors and Benefit Provisions

	Plan 1	Plan 2
Eligibility for benefits	30 years credited service regardless of age; or 7 years credited service and age 60	7 years credited service and age 62
Early retirement benefits	Early retirement between age 55 and 60 on a reduced basis	Early retirement between age 55 and 62 on a reduced basis
Minimum vesting	7 years of credited service	7 years of credited service
Maximum benefit	2.5% of final average salary per year of service up to a maximum of 75%	2.25% of final average salary per year of service up to a maximum of 75%
Final average salary	Average for the 3 consecutive years of service which produce the highest average and which are within the last 10 years of service	Average for the 3 consecutive years of service which produce the highest average and which are within the last 10 years of service
Service-connected disability	60% of final salary	50% of final salary
Non-service connected disability	Benefit formula based on credited service with a maximum of 50% of final average salary	25% of final salary
Pre-retirement survivor benefits	Benefit formula based on credited service and number of survivors with a maximum of 75% of final average salary	Benefit formula based on credited service and number of survivors with a maximum of 75% of final average salary
Post-retirement survivor benefits	Benefit formula based on credited service and number of survivors with a maximum of 75% of final average salary	Benefit formula based on credited service and number of survivors with a maximum of 75% of final average salary
Annual post-retirement benefit increases	3% of original benefit after 12 months of retirement, not compounded	2% of original benefit after 12 months of retirement, not compounded

Figure 17

Funding Policy: The contribution requirements of plan members and the reporting entity are established by City Ordinance and may be amended by the governing body. Members of Plan 1 and 2 are required to contribute 6.4% and 4.7% of covered salaries, respectively. From its various operating funds, the City is required to contribute at an actuarially determined rate; the rate for 2014 was 13.2% of annual covered payroll for both Plans 1 and 2. The City may provide for pension expenses by levying ad valorem property taxes each year in the amount necessary to meet its obligation as determined by the WERS' consulting actuary.

Net Pension Liability of the City: The components of net pension liability (the City's liability, determined in accordance with Governmental Accounting Standards Board Statement No. 67, less the fiduciary net position) as of December 31, 2014, are shown in Figure 18. Actuarial valuation of an ongoing plan involves estimates of reported amounts and assumptions about the probability of occurrence of events far into the future. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The total pension liability was determined by an actuarial

valuation as of December 31, 2014. A Schedule of Changes in the Employers' Net Pension Liability is presented in the required supplementary information of this report (see Page 30).

Net Pension Liability

	December 31, 2014
Total Pension Liability	\$ 590,115,082
Less: Fiduciary Net Position	(566,807,293)
Net Pension Liability	\$ 23,307,789
Ratio of Fiduciary Net Position to Total Pension Liability	96.05%

*Total pension liability and fiduciary net position include amounts attributable to Plan 3 members who have not made an irrevocable election to remain in Plan 3b. At December 31, 2014, net position attributable to those members amounted to \$14,574,469.

Figure 18

GASB 67 also requires the disclosure of the sensitivity of the net pension liability to changes in the discount rate. Figure 19 presents the net pension liability using the discount rate of 7.75%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1.0% lower (6.75%) or 1.0% higher (8.75%) than the current rate.

Sensitivity Analysis

	Rate	Employers' Net Pension Liability
1.0% Decrease	6.75%	90,648,959
Current Rate	7.75%	23,307,789
1.0% Increase	8.75%	(33,624,491)

Figure 19

Discount Rate: The discount rate used to measure the total pension liability at December 31, 2014 was 7.75%. There was no change in the discount rate since the prior measurement date. The projection of cash flows used to determine the discount rate assumed that plan contributions from members and the City of Wichita will be made using actuarially determined rates. Employees of Plan 1 will contribute 6.4% of total compensation and 4.7% of base salary and longevity pay for Plan 2. The Employer will contribute the difference between the employer actuarial contribution rate and 4.7% multiplied by Plan 3 pensionable compensation (excluding compensation attributable to members who have made an irrevocable election to remain in the defined contribution plan) to Plan 2. In addition, the Employer contributes the full actuarial contribution rate on pensionable compensation for all Plan 1 and Plan 2 members. The expected contribution rate was modeled for all future years, assuming all actuarial assumptions are met in future years. Based on those assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine total pension liability.

Actuarial Assumptions: A summary of actuarial assumptions and other inputs used in measuring the total pension liability are presented in Figure 20. The most recent experience study dated July 15, 2014, covered the five-year period ending December 31, 2013. Information about the long-term expected rate of return on pension plan investments is presented in the Actuarial Rate of Return Assumption footnote (see Page 20). The target asset allocation and best estimates of geometric real rates of return (net of 2.25% inflation assumption) for each major asset class are summarized in Figure 12 on Page 20.

Summary of Actuarial Assumptions

Actuarial Assumption	
Valuation date	December 31, 2014
Inflation	3.25%
Salary increases, including inflation	4.25% to 7.20%, including inflation
Payroll growth	4.0% per year
Long-term investment rate of return, net of Plan investment expense, including inflation	7.75%, including inflation
Post-retirement benefit increases	Plan 1: 3% per year (non-compounded), commencing 12 months after retirement Plan 2: 2% per year (non-compounded), commencing 12 months after retirement
Mortality	Pre-retirement mortality rates were based on the RP-2000 Employee Table for males and females, as appropriate, with adjustments for mortality improvements based on Scale AA. Post-retirement mortality rates were based on the RP-2000 Health Annuitant Table for males and females, as appropriate, with adjustments for mortality improvements based on Scale AA. Disabled mortality rates were based on the RP-2000 Disabled Table for Males and Females, as appropriate, with adjustments for mortality improvements based on Scale AA.

Figure 20

Wichita Employees' Retirement System Plan 3

Plan Description: The reporting entity provides pension benefits for all of its full-time civilian employees hired or rehired on or after January 1, 1994. This is a defined contribution plan; therefore, benefits depend solely on amounts contributed to the plan plus investment earnings. At December 31, 2014, membership totaled 619. Plan 3, established by City Ordinance on April 9, 1993 and amended on February 8, 2000, requires that both the employee and the reporting entity contribute an amount equal to 4.7% of covered salaries. The reporting entity's contributions and earnings for each employee are 25% vested after three years of service, 50% vested after five years and are fully vested after seven years of service.

Upon completion of seven years of service, employees participating in the Plan will be converted to the WERS Plan 2, a defined benefit plan, unless they make an irrevocable election to remain in Plan 3 within 90 days thereafter. If an employee converts to Plan 2, the employee's Plan 3 account becomes part of Plan 2. Fully vested employees who elect to continue participation in Plan 3 may contribute additional amounts into the plan as permitted by the rules of the Internal Revenue Code in effect at the time of the contribution. Contributions of the reporting entity and earnings forfeited by employees who leave employment before seven years of service are used to reduce the reporting entity's contribution requirements.

For the year ending December 31, 2014, employee and employer contributions to Plan 3 totaled \$1,147,770 and \$1,147,770, respectively. On December 31, 2014, the WERS defined contribution Plan 3 membership consisted of (see Figure 21):

Defined Contribution Plan Membership

Years of Service	Employer Contribution Vesting Schedule	Number of Employees
7 years or more	100%	99
5 to 7 years	50	111
3 to 5 years	25	38
0 to 3 years	0	371
Total membership		619

Figure 21

Eligibility Factors and Benefit Provisions

	Less than 7 years of service	7 or more years of service
Service-connected disability	50% of final salary; or refund of vested Plan 3 account balance	50% of final salary; or refund of vested Plan 3 account balance
Non-service connected disability	Refund of vested Plan 3 account balance	25% of final salary; or refund of vested Plan 3 account balance

Figure 22

Police and Fire Retirement System

Plan Description: The Police and Fire Retirement System (PFRS) consists of three plans - Plan A, Plan B, and Plan C-79. The plans were established to provide retirement and survivor annuities, disability benefits, death benefits, and other benefits for Police and Fire Officers of the reporting entity and their dependents. All full-time active “commissioned” Police and Fire Department personnel are required to participate in the plans. Plans A and B were established by City Ordinance on January 1, 1965 and Plan C-79 was established January 1, 1979 by City Ordinance. Plan B was closed to new entrants as of January 1, 1965 and Plan A was closed to new entrants as of December 31, 1978. Establishment of, and amendments to, the benefit provisions for the PFRS are authorized by the City Council.

Backward Deferred Retirement Option Plan (DROP) Provision: The benefit structure of the Wichita Police and Fire Retirement System includes a Backward Deferred Retirement Option Plan (DROP). The backward DROP is available to Plan C-79 members. Members must be eligible to receive a service retirement benefit as of the backward DROP retirement date. The DROP period is one to sixty months. The DROP period is the time between the backward DROP retirement date and the date the employee terminates service. The retirement benefit is calculated as of the day prior to the backward DROP retirement date. The employee’s monthly retirement benefits (for the DROP period) plus applicable post-retirement adjustments and interest at an annual rate of 5.0%, compounded monthly, is payable upon the employee’s termination of service. When the member terminates employment, the balance of the DROP account is paid as a lump sum and the member begins to receive monthly retirement benefits on the month following termination of service.

On December 31, 2014, the PFRS membership consisted of (see Figure 23):

Defined Benefit Plan Membership

	Plan A	Plan B	Plan C-79	Total
Inactive plan members or beneficiaries currently receiving benefits	451	229	291	971
Inactive plan members entitled to, but not yet receiving benefits	-	-	31	31
Active plan members	8	-	1,060	1,068
Total membership	459	229	1,382	2,070

Figure 23

Eligibility Factors and Benefit Provisions

	Plans A and B	Plan C-79
Eligibility for benefits	20 years credited service regardless of age	30 years credited service regardless of age; or 20 years of credited service and age 50; or 10 years of credited service and age 55
Minimum vesting	10 years of credited service	10 years of credited service
Maximum benefit	2.5% of final average salary per year of service up to a maximum of 75%	2.5% of final average salary per year of service up to a maximum of 75%
Final average salary	Average for the 3 consecutive years of service which produce the highest average and which are within the last 10 years of service	Average for the 3 consecutive years of service which produce the highest average and which are within the last 10 years of service
Service-connected disability, injury	75% of final salary	75% of final salary
Service-connected disability, disease	50% of final salary	50% of final salary
Non-service connected disability	With 7 years of service, benefit formula based on credited service with a maximum of 50% final average salary	With 7 years of service, benefit formula based on credited service with a maximum of 50% final average salary
Service-connected death	Benefit formula based on number of survivors with a maximum of 75% final salary	Benefit formula based on number of survivors with a maximum of 75% final salary
Non-service connected death	Benefit formula based on credited service and number of survivors with a maximum of 66 2/3% of final average salary (Plan A); 50% of final salary (Plan B)	Benefit formula based on credited service and number of survivors with a maximum of 66 2/3% of final average salary with 3 years of service
Post-retirement survivor benefits	Benefit formula based on credited service and number of survivors with a maximum of 66 2/3% of final average salary (Plan A); 50% of final salary (Plan B)	Benefit formula based on credited service and number of survivors with a maximum of 66 2/3% of final average salary
Annual post-retirement benefit increases	2% of original benefit after 36 months of retirement, not compounded	2% of original benefit after 36 months of retirement, not compounded

Figure 24

Funding Policy: The contribution requirements of plan members and the reporting entity are established by City Ordinance and may be amended by the governing body. PFRS members are required to contribute 6% to 8% of covered salaries. From its various operating funds, the City is required to contribute at an actuarially determined rate; the rate for 2014 was 22.4% of annual covered payroll. The City may provide for pension expenses by levying ad valorem property taxes each year in the amount necessary to meet its obligation as determined by the PFRS' consulting actuary.

Net Pension Liability of the City: The components of net pension liability (the City's liability, determined in accordance with Governmental Accounting Standards Board Statement No. 67, less the fiduciary net position) as of December 31, 2014 are shown in Figure 25. Actuarial valuation of an ongoing plan involves estimates of reported amounts and assumptions about the probability of occurrence of events far into the future. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The total pension liability was determined by an actuarial valuation as of December 31, 2014. A Schedule of Changes in the Employers' Net Pension Liability is presented in the required supplementary information of this report (see Page 31).

Net Pension Liability

	December 31, 2014
Total Pension Liability	\$ 631,904,401
Less: Fiduciary Net Position	(611,091,056)
Net Pension Liability	\$ 20,813,345
Ratio of Fiduciary Net Position to Total Pension Liability	96.71%

Figure 25

GASB 67 also requires the disclosure of the sensitivity of the net pension liability to changes in the discount rate. Figure 26 presents the net pension liability using the discount rate of 7.75%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1.0% lower (6.75%) or 1.0% higher (8.75%) than the current rate.

Sensitivity Analysis

	Rate	Employers' Net Pension Liability
1.0% Decrease	6.75%	94,983,635
Current Rate	7.75%	20,813,345
1.0% Increase	8.75%	(48,035,870)

Figure 26

Discount Rate: The discount rate used to measure the total pension liability at December 31, 2014 was 7.75%. There was no change in the discount rate since the prior measurement date. The projection of cash flows used to determine the discount rate assumed that plan contributions from members and the City will be made using the actuarially determined rates. Employees will contribute 8.0% of salary for Plan A, 6.0% of salary for Plan B, and 7.0% of salary for Plan C. In addition, the City will contribute the full actuarial contribution rate on pensionable compensation for all plan members. The expected contribution rate was modeled for all future years, assuming all actuarial assumptions are met. Based on those assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine total pension liability.

Actuarial Assumptions: A summary of actuarial assumptions and other inputs used in measuring the total pension liability are presented in Figure 27. The most recent experience study dated July 15, 2014 covered the five-year period ending December 31, 2013. Information about the long-term expected rate of return on pension plan investments is presented in the Actuarial Rate of Return Assumption footnote (see Page 20). The target asset allocation and best estimates of geometric real rates of return (net of 2.25% inflation assumption) for each major asset class are summarized in Figure 12 on Page 20.

Summary of Actuarial Assumptions

Actuarial Assumption	
Valuation date	December 31, 2014
Inflation	3.25%
Salary increases, including inflation	5.0% to 6.75%
Payroll growth	4.00%
Long-term investment rate of return, net of Plan investment expense, including inflation	7.75%, including inflation
Post-retirement benefit increases	2.0% per year (non-compounded), commencing 36 months after retirement
Mortality	Pre-retirement mortality rates were based on the RP-2000 Employee Table for males and females, as appropriate, with adjustments for mortality improvements based on Scale AA. Post-retirement mortality rates were based on the RP-2000 Health Annuitant Table for males and females, as appropriate, with adjustments for mortality improvements based on Scale AA. Disabled mortality rates were based on the RP-2000 Disabled Table for males and females, as appropriate, with adjustments for mortality improvements based on Scale AA.

Figure 27

Required Supplementary Information

Schedules of Changes in the Employers' Net Pension Liability and Related Ratios

Wichita Employees' Retirement System

(Dollar amounts in thousands)

	2014
Total Pension Liability	
Service cost	\$ 9,279
Interest	43,701
Benefit term changes	-
Differences between expected and actual and expected experience	(4,020)
Assumption changes	(3,550)
Benefit payments, including member refunds	(37,681)
Net Change in Total Pension Liability	7,729
Total Pension Liability – beginning	582,386
Total Pension Liability – ending (a)	\$ 590,115
Plan Fiduciary Net Position	
Employer contributions	\$ 9,424
Employee contributions	3,395
Reclassification due to conversion of members to Plan 3b	(571)
Net investment income	28,540
Benefit payments, including member refunds	(37,681)
Administrative expenses	(503)
Net Change in Plan Fiduciary Net Position	\$ 2,604
Plan Fiduciary Net Position – beginning	\$ 564,203
Plan Fiduciary Net Position – ending (b)	\$ 566,807
Net Pension Liability – ending (a) – (b)	\$ 23,308
Fiduciary Net Position as a percentage of the Total Pension Liability	96.05%
Covered Payroll	\$ 71,391
Employers' Net Pension Liability as a percentage of covered payroll	32.65%

Schedule is intended to show 10-year trend. Additional years will be reported as they become available.

Note: Amounts reported in this schedule vary from amounts reported in the basic financial statements due to the inclusion of only those Plan 3 members who have not made an irrevocable election to remain in the defined contribution plan.

Figure 28

Schedules of Changes in the Employers' Net Pension Liability and Related Ratios

Police and Fire Retirement System

(Dollar amounts in thousands)

	2014
Total Pension Liability	
Service cost	\$ 15,894
Interest	46,491
Benefit term changes	-
Differences between expected and actual and expected experience	(12,040)
Assumption changes	226
Benefit payments, including member refunds	(36,415)
Net Change in Total Pension Liability	14,156
Total Pension Liability – beginning	617,748
Total Pension Liability – ending (a)	\$ 631,904
Plan Fiduciary Net Position	
Employer contributions	\$ 14,464
Employee contributions	4,530
Net investment income	30,596
Benefit payments, including member refunds	(36,415)
Administrative expenses	(543)
Net Change in Plan Fiduciary Net Position	\$ 12,632
Plan Fiduciary Net Position – beginning	\$ 598,459
Plan Fiduciary Net Position – ending (b)	\$ 611,091
Net Pension Liability – ending (a) – (b)	\$ 20,813
Fiduciary Net Position as a percentage of the Total Pension Liability	96.71%
Covered Payroll	\$ 64,572
Employers' Net Pension Liability as a percentage of covered payroll	32.23%

Schedule is intended to show 10-year trend. Additional years will be reported as they become available.

Figure 29

Schedules of Employer Contributions

Wichita Employees' Retirement System

(Dollar amounts in thousands)

	2014	2013	2012	2011	2010	2009	2008
Actuarially determined employer contributions	\$ 9,424	\$ 8,940	\$7,503	\$ 7,695	\$ 6,689	\$ 3,887	\$ 3,834
Actual employer contributions	9,424	8,940	7,503	7,695	6,689	3,887	3,834
Annual contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered employee payroll	\$71,391	\$70,953	\$70,783	\$75,444	\$79,636	\$82,704	\$81,580
Contributions as a percentage of covered-employee payroll	13.20%	12.60%	10.60%	10.20%	8.40%	4.70%	4.70%

Figure 30

Police and Fire Retirement System

(Dollar amounts in thousands)

	2014	2013	2012	2011	2010	2009	2008
Actuarially determined employer contributions	\$ 14,464	\$ 14,890	\$14,113	\$13,807	\$13,120	\$11,035	\$10,549
Actual employer contributions	14,464	14,890	14,113	13,807	13,120	11,035	10,549
Annual contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered employee payroll	\$ 64,572	\$ 65,306	\$64,150	\$62,759	\$63,077	\$63,055	\$60,282
Contributions as a percentage of covered-employee payroll	22.40%	22.80%	22.00%	22.00%	20.80%	17.50%	17.50%

Figure 31

Schedules of Employer Contributions

Wichita Employees' Retirement System

(Dollar amounts in thousands)

	2007	2006	2005
Actuarially determined employer contributions	\$ 3,701	\$ 3,556	\$ 3,589
Actual employer contributions	3,701	3,556	3,589
Annual contribution deficiency (excess)	\$ -	\$ -	\$ -
Covered employee payroll	\$78,736	\$75,881	\$72,367
Contributions as a percentage of covered-employee payroll	4.70%	4.70%	4.96%

Figure 32

Police and Fire Retirement System

(Dollar amounts in thousands)

	2007	2006	2005
Actuarially determined employer contributions	\$ 10,029	\$ 9,850	\$ 7,309
Actual employer contributions	10,029	9,850	7,309
Annual contribution deficiency (excess)	\$ -	\$ -	\$ -
Covered employee payroll	\$ 57,310	\$ 53,350	\$ 52,207
Contributions as a percentage of covered-employee payroll	17.50%	18.40%	14.00%

Figure 33

Schedule of Investment Returns

Wichita Retirement Systems

(Dollar amounts in thousands)

	2014
Annual money-weighted rate of return, net of investment expense	5.18%

Schedule is intended to show 10-year trend. Additional years will be reported as they become available.

Figure 34

Notes to the Required Supplementary Information

Wichita Employees' Retirement System

Summary of Actuarial Methods and Assumptions

Valuation date	December 31, 2014
Actuarial cost method	Entry age normal
Amortization method	Level percentage of projected payroll
Amortization approach	Open
Remaining amortization period	Rolling 20 years
Asset valuation method	Expected Value: assumes 7.75% rate of return plus 25% of the difference between the fair value and the expected value of assets
Actuarial assumptions:	
Investment rate of return	7.75% per year, including inflation
Projected salary increases	4.25% to 7.20%, including inflation
Payroll growth	4.0% per year
Inflation rate	3.5% per year
Post-retirement benefit increases	Plan 1: 3% per year (non-compounded), commencing 12 months after retirement Plan 2: 2% per year (non-compounded), commencing 12 months after retirement

Figure 35

Changes in Benefit and Funding Terms and Actuarial Assumptions

Changes in benefit and funding terms	There have been no changes to the plan provisions in the last ten years
December 31, 2014 valuation	<ul style="list-style-type: none"> Decrease the price inflation assumption from 3.50% to 3.25%. Modify the Plan 2 retirement assumption to partially reflect experience. The changes increased rates at some ages and decreased them at others. Eliminate the disability assumption. Change the termination of employment assumption to a pure service-based assumption Reduce sick leave load from 4.0% to 2.5%. A 20% corridor was added to the actuarial value of assets calculation.
December 31, 2009 valuation	<ul style="list-style-type: none"> Decrease in the price inflation assumption from 4.0% to 3.5%. Decrease in the general wage growth assumption from 4.5% to 4.0%. Modification of the retirement rates for both Plans 1 and 2 to better reflect actual experience. The changes increased rates at some ages and decreased them at others. Increase in the rates of termination of employment for ages under 32 for the ultimate assumption. Lower assumption for indexation of benefits for terminated vested members from 4.5% to 4.0% to be consistent with the general wage growth assumption. Non-disabled mortality tables were updated to reflect an additional year of mortality improvements.
December 31, 2006 valuation	<ul style="list-style-type: none"> Retirement rates were adjusted for Plan 1 and Plan 2 members. For Plan 1 members, the ultimate rate changed from age 70 to age 65. Explicit assumptions were added for members to participate in DROP. For Plan 1, 70% of members with 30 or more years of service are assumed to elect DROP for a period of 48 months. For Plan 2, 70% of members with 33.33 years of service and age 62 are assumed to elect DROP for a period of 36 months.

Figure 36

Police and Fire Retirement System

Summary of Actuarial Methods and Assumptions

Valuation date	December 31, 2014
Actuarial cost method	Entry age
Amortization method	Level percentage of payroll
Amortization approach	Open
Remaining amortization period	Rolling 20 years
Asset valuation method	Expected Value: assumes 7.75% rate of return plus 25% of the difference between the fair value and the expected value of assets
Actuarial assumptions:	
Investment rate of return	7.75% per year, including inflation
Projected salary increases	5.00% to 6.75%, including inflation
Payroll growth	4.00%
Inflation rate	3.50% per year
Post-retirement benefit increases	2% per year (non-compounded), commencing 36 months after retirement

Figure 37

Changes in Benefit and Funding Terms and Actuarial Assumptions

Changes in benefit and funding terms	There have been no changes to the plan provisions in the last ten years
December 31, 2014 valuation	<ul style="list-style-type: none"> • Decrease the price inflation assumption from 3.50% to 3.25%. • Modify the Plan C retirement assumption to partially reflect experience. Created separate rates for less than or more than 30 years of service. • Lower assumed disability rates. • Change the termination of employment assumption to a pure service-based assumption • Modify the probability of electing a refund to partially reflect actual, observed experience • Reduce sick leave load from 4.0% to 3.0%. • A 20% corridor was added to the actuarial value of assets calculation.
December 31, 2009 valuation	<ul style="list-style-type: none"> • Decrease in the price inflation assumption from 4.0% to 3.5%. • Decrease in the general wage growth assumption from 4.5% to 4.0%. • Lower the retirement rates for Plan A and extend them to 35 years of service. • Lower the retirement rate for Plan C members at ages before 53 and ages 58-60 and increase rates at ages 56 and 57. • Increase in the rates of termination of employment for ages under 44 and decrease rates at ages over 44. • Lower assumption for indexation of benefits for terminated vested members from 4.5% to 4.0% to be consistent with the general wage growth assumption.

Figure 38

Supplementary Information

Administrative Expenses

Year ended December 31, 2014
(with comparative totals for the year ended December 31, 2013)

	Police and Fire Retirement System	Employees' Retirement System	Employees' Retirement Plan 3	Totals	
				2014	2013
Personnel services:					
Wages	\$ 222,099	\$ 222,099	\$ -	\$ 444,198	\$ 406,494
Benefits	73,608	73,608	-	147,216	139,608
Total personnel services	295,707	295,707	-	591,414	546,102
Contractuals					
Telephone	1,778	1,778	-	3,556	3,596
Postage	2,161	2,434	-	4,595	3,440
Transportation and travel	2,660	5,320	-	7,980	7,007
Data center charges	5,755	5,755	-	11,510	11,558
City administrative charges	26,367	26,367	-	52,734	32,786
Actuarial fees	80,464	45,942	1,000	127,406	58,000
Audit fees	8,258	8,258	-	16,516	15,494
Studies and consultants	2,800	-	-	2,800	-
Legal services	2,804	2,777	37	5,618	4,723
Advertising	8	8	-	16	26
Periodicals and manuals	133	133	-	266	372
Membership dues	536	536	-	1,072	4,552
Printing and photocopying	4,362	4,318	33	8,713	11,030
Plan 3 participant administration	-	-	29,600	29,600	30,050
Pension software expense	40,388	40,383	34,016	114,787	141,099
Depreciation	63,887	63,888	54,768	182,543	182,543
Other	2,789	789	-	3,578	7,182
Total contractuals	245,150	208,686	119,454	573,290	513,458
Commodities					
Office equipment and supplies	1,140	1,140	-	2,280	2,114
Data processing equipment	-	-	-	-	124
Other	210	224	-	434	511
Total commodities	1,350	1,364	-	2,714	2,749
Total administrative expenses	\$ 542,207	\$ 505,757	\$ 119,454	\$ 1,167,418	\$ 1,062,309

Figure 39

Investment Expenses

Year ended December 31, 2014
(with comparative totals for the year ended December 31, 2013)

	Police and Fire Retirement System	Employees' Retirement System	Employees' Retirement Plan 3	Totals	
				2014	2013
Investment expenses:					
Financial consulting	\$ 118,137	\$ 114,389	\$ 7,859	\$ 240,385	\$ 237,656
Custodial bank	133,263	129,888	3,178	266,329	264,667
Investment management fees	2,807,994	2,551,385	83,443	5,442,822	4,791,776
Total investment expenses	\$3,059,394	\$2,795,662	\$94,480	\$5,949,536	\$5,294,099

Figure 40

Payments to Consultants Other Than Investment Advisors

Year ended December 31, 2014
(with comparative totals for the year ended December 31, 2013)

Firm	Services	Police and Fire Retirement System	Employees' Retirement System	Employees' Retirement Plan 3	Totals	
					2014	2013
Ice Miller, L.L.P.	Legal services	\$ 2,804	\$ 2,777	\$ 37	\$ 5,618	\$ 4,723
Cavanaugh Macdonald Consulting, L.L.C.	Actuarial services	80,464	45,942	1,000	127,406	58,000
Allen, Gibbs & Houlik, L.C.	Auditing services	8,258	8,258	-	16,516	15,494
Northeast Retirement Services	Participant accounting	-	-	29,600	29,600	30,050
Total payments		\$ 91,526	\$ 56,977	\$ 30,637	\$ 179,140	\$108,267

Figure 41



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT
AUDITING STANDARDS*

The Boards of Trustees
Wichita Retirement Systems
Wichita, Kansas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Wichita Retirement Systems of the City of Wichita, Kansas (the Systems), which comprise the statement of plan net position as of December 31, 2013, and the related statement of changes in plan net position for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 23, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Systems' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Systems' internal control. Accordingly, we do not express an opinion on the effectiveness of the Systems' internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Systems' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Audit Standards*.

Purpose of this Report

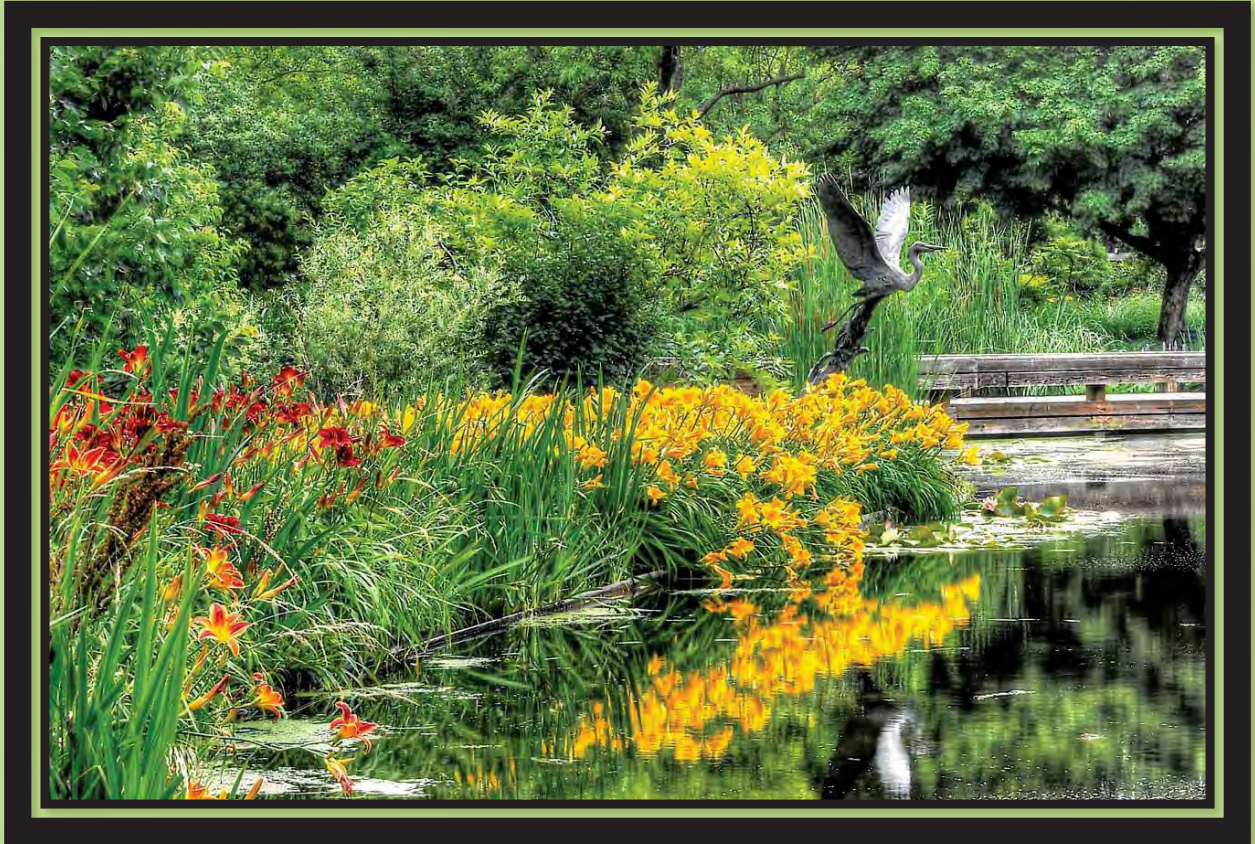
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Allen, Gibbs & Houlik, L.C.
CERTIFIED PUBLIC ACCOUNTANTS

June 23, 2014
Wichita, Kansas

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INVESTMENT SECTION





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April 7, 2015

The Retirement Boards

Wichita Employees' Retirement System and Police & Fire Retirement System of Wichita

455 North Main Street, 12th Floor

Wichita, KS 67202

RE: Report on 2014 Investment Activities

Dear Board Members:

The Boards of Trustees of the Wichita Retirement Systems have created a Trust Fund that makes investments for the sole interest of the participants and beneficiaries of the Fund. The primary purpose of the investments is to generate rates of return at a reasonable and controlled level of risk that enable the Fund to pay all pension benefit and expense obligations when due. Accordingly, the assets of the Fund are invested in accordance with these investment objectives: (1) to fulfill current benefit obligations; (2) to maximize return within reasonable and prudent levels of risk; and (3) to maintain sufficient liquidity to meet benefit payment obligations when due.

Preservation of capital is of primary concern. The Fund seeks preservation of capital by pursuing a policy of broad diversification with the long-term objective of achieving a consistent, positive return on Fund assets. Although speculation is avoided, the Boards understand that an above-average return is associated with a certain degree of risk. Risk to be assumed must be considered appropriate for the return anticipated and consistent with the total diversification of Fund assets.

Trust Fund assets are to be invested with the care, skill, and diligence that a prudent person acting in a like capacity would undertake. The Boards acknowledge that, in the process, they have the objective of controlling the costs involved with administering and managing the investments of the Fund.

In establishing its risk tolerance, the Boards considered their ability to withstand short and intermediate-term volatility in market conditions. The Boards also reviewed the long-term characteristics of various asset classes, focusing on balancing risk with expected return. Accordingly, the Boards selected these seven asset classes as allowable asset classes: domestic equity; fixed income; international equity; real estate; commodities; and timber. The "Asset Allocation" discussion that appears later in this section provides details about the Trust Fund percentages that are invested in the six asset classes.

The Boards, with information provided by their Financial Consultant, closely monitor the Fund's asset mix to assure compliance with the adopted Investment Policy Statement and appropriate City ordinances that regulate the investment process.



On an ongoing basis, the Boards implement a performance measurement and evaluation process that examines rates of return for the Trust Fund in total, the seven major asset classes, and individual managers. The Boards compare returns to broad market indices and relevant "peer groups" of investment managers with similar investment styles. The schedule on the following page depicts the Fund's various rates of return. All returns are time-weighted rates of return calculated by the Fund's Financial Consultant on the basis of market value and cash flow data provided by the Fund's bank custodian.

The global economic outlook demonstrated dispersion in 2014, with growth in the U.S. solidifying while growth in Europe and Japan cooled. Central Bank policies diverged as the U.S. ended its quantitative easing program while Europe and Japan announced policies to stimulate growth and fight deflation. Diverging growth and monetary policies led to significant gains in the U.S. dollar versus the euro and yen. Falling energy prices increased volatility in the equity and bond markets during the last half of the year. U.S. labor markets had a solid 2014 with the unemployment rate falling to 5.6% in December, a 1.1% decline over the course of the year. The U.S. economy grew 2.4% in 2014, which is better than the post-recession average of 2.2% yet still below longer term averages. Against this backdrop, the Russell 3000 Index, a proxy for domestic stocks, gained 12.56%. International stocks lagged behind their U.S. counterparts as the MSCI ACWI ex-U.S. IMI Index fell 3.47%. Interest rates declined during the year, boosting fixed income returns, as the Barclays Aggregate Bond Index, a proxy for U.S. investment-grade bonds, increased 5.97%. The private real estate market, as measured by the NCREIF Property Index, had another solid year as the Index gained 11.82%. The NCREIF Timberland Index produced a 10.48% return while the Bloomberg Commodity Index declined 17.01% on falling oil prices.

As noted in the Schedule of Investment Results, the Fund generated a total return of 5.59% for the year ended December 31, 2014, which trailed the 5.78% return of the Fund's target benchmark (the Weighted Index). In aggregate, active management in the Fund's domestic equity portfolio was the primary reason for the under-performance for the year.

To help defray the expenses associated with the administration and investment of Trust Fund assets, the Boards have created a commission recapture program whereby the Fund's large-cap equity managers direct up to 25 percent of their trades through a large broker-dealer firm selected by the Boards.

Yours truly,

William C. Howard, CFA
Senior Vice President

Investment Policy Summary

Strategic Plan

Assets of the Wichita Employees' and Police and Fire Retirement Systems (Fund) are invested in a diversified mix of domestic and international equities, domestic and international fixed income securities, real estate, timber, commodities and cash equivalents. The Fund is overseen by the Joint Investment Committee (JIC), comprised of the President of each Board, trustee representatives elected from both Boards and a City Manager's designee.

Investment Policies

The assets of the Fund are managed solely in the interest of each System's participants and beneficiaries.

The duties of the Boards include, but are not limited to, approving the asset allocation plan and investment policy contained in the Strategic Plan, annual performance review of the investment portfolio, and the hiring of a common financial consultant and actuary.

The duties of the JIC include, but are not limited to, making recommendations to the Boards on an asset allocation plan, an investment policy and the hiring of a common financial consultant and actuary; quarterly performance review of the investment portfolio; and the retention and termination of the Fund's investment managers and the custodial bank.

Fund assets are allocated to professional investment managers who are given full investment discretion with respect to assets under their management, subject to mandated investment guidelines.

The following minimum standards are set for investment managers:

1. The investment firm must have \$500 million or more under management;
2. The investment management firm must have five years of performance history;
3. The Fund's portfolio with the investment manager shall not constitute more than 10% of the investment manager's total portfolio.

Investment Objectives

The goal of the Fund is to ensure sufficient resources to meet or exceed benefit obligations. The related investment objectives are, first, to preserve and, second, to increase the capital value of the Fund. In pursuing these objectives, the Boards will endeavor to earn the maximum total return on assets consistent with maintaining a prudent level of risk. In investing and reinvesting monies in the Fund, there shall be exercised the judgment and care under the circumstances then prevailing which people of prudence, discretion, and intelligence exercise in the management of their own affairs.

Total Fund returns are compared to a blended target index composed of market indices weighted to the applicable asset class median.

As of December 31, 2014, the blended target consisted of:

- **32%** Russell 1000 Index
- **8%** Russell 2000 Index
- **22%** Morgan Stanley Capital International, All Country World ex-U.S. (MSCI ACWI ex-US) Index
- **22%** Barclays Capital Aggregate Bond Index
- **3%** Barclays Capital US TIPS Index
- **5%** National Council of Real Estate Investment Fiduciaries (NCREIF) Total Property Index
- **5%** National Council of Real Estate Investment Fiduciaries (NCREIF) Timberland Index
- **3%** Dow Jones-UBS (DJ UBS) Commodity Index

The Boards expect the Fund's overall returns to be less volatile than the relevant market indices. The Fund's long-term objective is to achieve an annualized rate of return that is 4.5% higher than the Consumer Price Index of Urban Wage Earners and Clerical Workers (CPI-U).

Each equity and fixed income manager's total fund return on a time-weighted basis is compared to a universe of managers employing a similar investment style. Performance relative to a manager's style group is expected to be above median in three of five calendar years, and above the 40th percentile over rolling five-year periods.

Investment Performance

Figure 42 and Figure 43 illustrate annual portfolio investment performance compared to the benchmark and changes in the Fund's net position based on asset class allocations at year-end. Positive returns, beginning in 2003 and continuing through 2007, are responsible for increasing the Fund's net position. After a volatile investment environment in 2008, returns in 2009 through 2013 helped stabilize the fund. The 2014 Fund return of 5.59% fell slightly short of the benchmark return of 5.78%. However, the Fund's net position increased by \$15.5 million, or 1.3%.

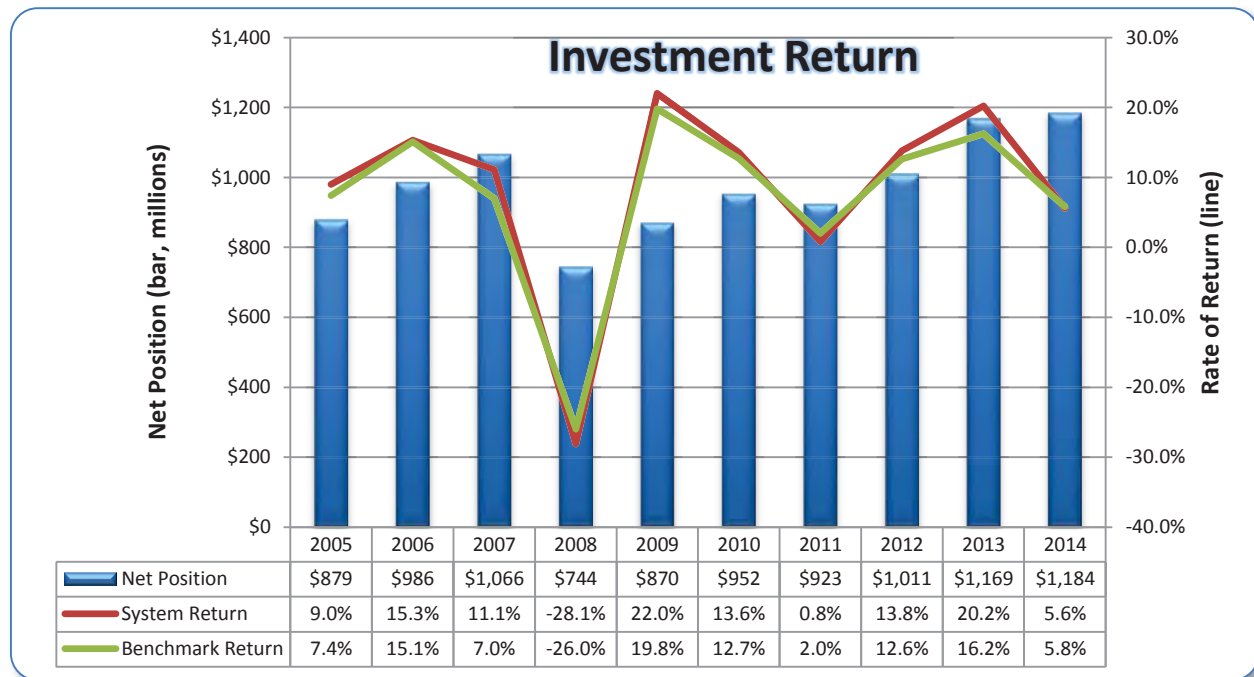


Figure 42

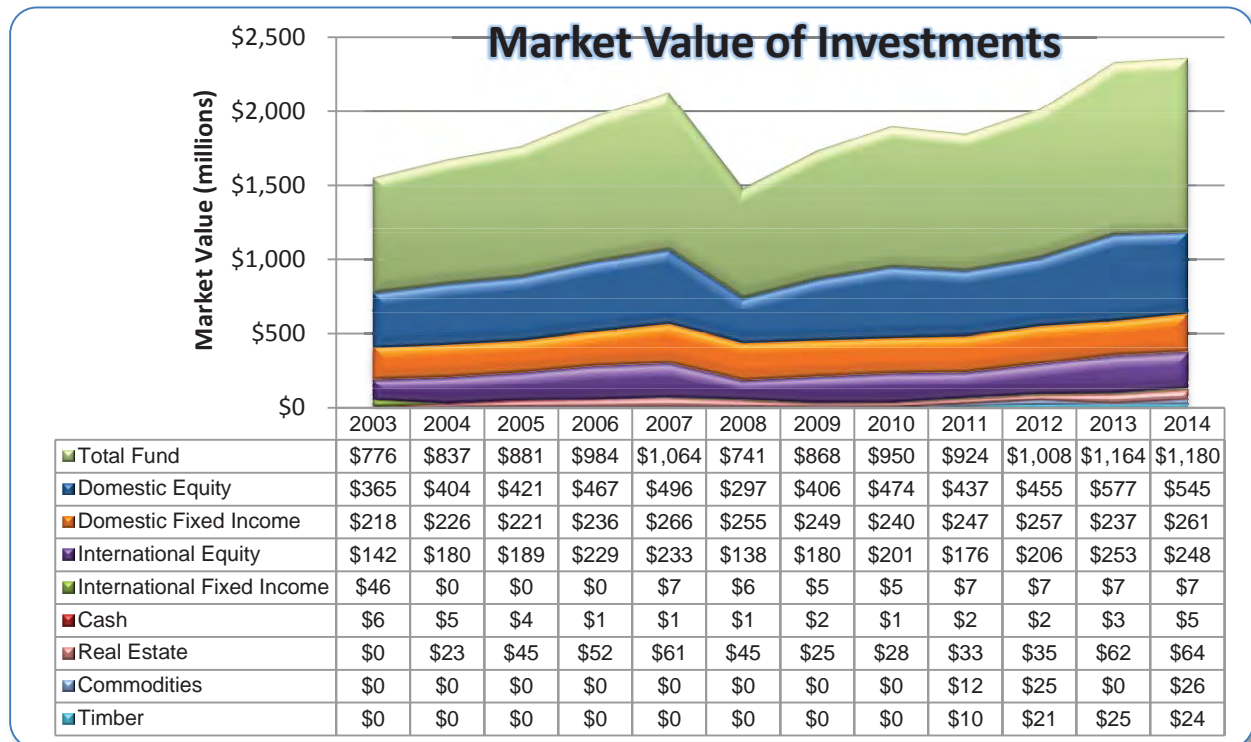


Figure 43

The Investment Performance table (see Figure 44) illustrates the Fund performance compared with plan target and appropriate index comparisons. The calculations were prepared using a time weighted rate of return based on the market rate of return.

The Wichita Employees' Retirement System (WERS) and Police and Fire Retirement System (PFRS) funds are combined for investment purposes. The WERS consists of defined benefit Plans 1 and 2 and defined contribution Plan 3. The PFRS consists of defined benefit Plans A, B, and C-79.

In 2000, funds for the WERS Defined Contribution Plan 3 were separated from the combined Fund for investment management purposes. Although separately invested, these funds continued to be managed in accordance with the Strategic Plan and Investment Policies adopted for the WRS Funds. In January 2004, the Plan 3 funds were returned to the combined Fund for investment management purposes.

Investment Performance¹

	Annualized Returns			
	1 year	3 years	5 years	7 years
Total portfolio:				
Fund performance ²	5.59%	13.04%	10.63%	5.49%
Fund Target performance ³	5.78	11.53	9.39	4.80
Domestic equities:				
Domestic equity	10.66	20.83	16.04	8.32
Large-Cap equity	12.08	20.98	15.68	7.63
Small-Cap equity	5.60	20.24	17.27	10.96
International equities:	(4.33)	9.73	5.45	0.26
Domestic fixed income:				
Domestic fixed income	6.68	4.07	5.82	6.03
Nominal Domestic fixed income	7.14	4.54	6.09	6.22
TIPS	3.65	0.41	-	-
Real estate:				
Real estate	14.48	14.48	16.80	(1.03)
Timber:				
Timber	2.79	4.79	-	-

¹ Performance returns are calculated using a time-weighted rate of return on market values.

² Performance is gross of fees. Timber and TIPS were funded after January 2011. Therefore, greater than one-year return data is not available.

³ Fund target performance is as follows:

- (a) From 04/01/04 until 12/31/06; 38% S&P 500 Index; 9% Russell 2000 Index; 20% Morgan Stanley Capital International All Country World (ex-U.S.) Index; 28% Barclays Capital Aggregate Bond Index; 5% NCREIF Total Property Index.
- (b) From 01/01/07 until 12/31/2010; 38% S&P 500 Index; 9% Russell 2000 Index; 20% Morgan Stanley Capital International EAFE Index; 28% Barclays Capital Aggregate Bond Index; 5% NCREIF Total Property Index.
- (c) From 01/01/11 until 09/30/2011; 38% Russell 1000 Index; 9% Russell 2000 Index; 20% Morgan Stanley Capital International All Country World (ex-U.S.) Index; 28% Barclays Capital Aggregate Bond Index; 5% NCREIF Total Property Index.
- (d) From 10/01/11 until present; 32% Russell 1000 Index; 8% Russell 2000 Index; 22% Morgan Stanley Capital International All Country World (ex-U.S.) Index; 22% Barclays Capital Aggregate Bond Index; 5% NCREIF Total Property Index; 5% NCREIF Timberland Index; 3% Barclays Capital U.S. TIPS Index; 3% Dow Jones-UBS Commodity Index.

Figure 44

Asset Allocation

The Wichita Employees' and the Police and Fire Retirement Boards believe that a diversified portfolio aids in the preservation of investment principal. Growth with limited risk is the Fund's objective. The Boards established the JIC to manage the assets of both Retirement Systems. Asset allocation, in conjunction with investment manager selection, has a great impact on investment performance. The Committee is responsible for recommending an Asset Allocation Plan developed with the assistance of Callan Associates, Inc., the Boards' financial consultant.

The Boards review the adopted Asset Allocation Plan at least every three years. An asset allocation/liability study was completed in 2010. Implementation of changes began in 2011 and was complete as of December 31, 2014. These changes included the addition of timber, Treasury Inflation Protected Securities (TIPS), and commodities to the asset allocation mix. In 2013, the international equity portion of the Asset Allocation Plan was amended. Major components included: 1) adding a passive core allocation; 2) adding a small-cap allocation; 3) removing the active core plus allocation; 4) increasing the dedicated emerging markets allocation; and 5) changing the international equity benchmark from the Morgan Stanley Capital International, All Country World Index ex-U.S. (MSCI ACWI ex-US) to the Morgan Stanley Capital International, All Country World Index ex-U.S. Investable Market Index (MSCI ACWI ex-U.S. IMI). The overall allocation to international equity was unchanged at 22%. These changes were implemented in 2014.

The Boards' commitment to the adopted Asset Allocation Plan, which ensures a diversified portfolio, is especially important to minimize the Fund's exposure to market volatility and to help preserve sufficient funding for future generations. As of December 31, 2014, 67.37% of the Fund's assets were invested in equities, 22.49% in fixed income, 5.37% in real estate, 1.99% in timber and 2.34% in commodities. The table below (Figure 45) displays the Fund's target and actual asset allocation on December 31, 2014.

Asset Allocation Policy

Asset Class	Min ¹	Target	Max ¹	Actual
Domestic Equity				
Large/Mid-Cap	16.00%	24.00%	30.00%	28.03%
Large-Cap Passive	18.00	8.00	10.00	8.15
Small-Cap	4.00	8.00	12.00	9.90
Total Domestic Equity	34.00	40.00	46.00	46.08
Domestic Fixed Income				
Active Core	7.00	11.00	11.00	9.75
Active Core Plus	7.00	11.00	11.00	9.89
TIPS	2.50	3.00	3.50	2.85
Total Domestic Fixed Income	21.00	25.00	29.00	22.49
International Equity				
Active Core	11.00	8.80	18.00	13.90
Passive Core	11.00	5.50	18.00	13.90
Small-Cap	2.00	3.30	5.00	3.06
Emerging Markets	3.00	4.40	6.00	4.33
Total International Equity	18.00	22.00	26.00	21.29
Real Estate				
Core	2.00	4.00	6.00	4.72
Value Added	0.00	1.00	2.00	0.65
Total Real Estate	3.00	5.00	7.00	5.37
Timber	3.00	5.00	7.00	1.99
Commodities	2.50	3.00	3.50	2.34
Cash	0.00	0.00	2.00	0.44

¹ Because the styles within each asset class are more restrictive than the overall asset class, the min/max ranges for the styles within each asset class may not total the min/max for the overall asset class.

Figure 45

Largest Equity and Fixed Income Holdings

Ten Largest Equity Holdings by Fair Value

(as of December 31, 2014)

Number of Shares	Holding	Fair Value	% of Total Portfolio
495,900	Bank of America Corp.	\$ 8,871,651	0.74%
138,550	Comcast Corp. Class A	8,037,286	0.67
230,955	Pfizer, Inc.	7,194,248	0.60
132,710	Citigroup, Inc..	7,180,938	0.60
62,965	Apple, Inc.	6,950,077	0.58
90,154	Medtronic Inc.	6,509,119	0.55
249,400	General Electric Co.	6,302,338	0.53
47,150	Boeing Co.	6,128,557	0.51
120,700	Oracle Corp.	5,427,879	0.45
53,100	Unitedhealth Group Inc.	5,367,879	0.45
1,621,584	Total	\$67,969,972	5.68%

Figure 46

Ten Largest Fixed Income Holdings by Fair Value

(as of December 31, 2014)

Number of Shares	Holding	Fair Value	% of Total Portfolio
4,700,000	FNMA TBA 30 Yr. 5	\$ 5,192,654	0.43%
3,800,000	FNMA TBA 30 Yr. 5.5	3,961,196	0.33%
3,100,000	FNMA TBA 15 Yr. 3	3,222,171	0.27%
2,461,253	FNMA Pool Aq9292	2,569,179	0.22%
1,756,087	Federal Home Loan PC Pool G0650	1,881,630	0.16%
1,760,763	FNMA Pool 745506	1,815,224	0.15%
1,590,000	Citigroup, Inc.	1,772,977	0.15%
1,600,000	BP Capital Markets, Plc.	1,609,712	0.13%
1,447,678	GNMA Pool 666413	1,565,664	0.13%
1,500,000	Bank of Nova Scotia	1,502,355	0.13%
23,715,781	Total	\$25,092,762	2.10%

Figure 47

A complete list of portfolio holdings is available upon request from the Pension Management Office.

Investment Assets by Manager

(as of December 31, 2014)

Asset Category	Fair Value
Domestic fixed income	
Richmond Capital Management, Inc.	\$ 110,450,764
Western Asset Management Co.	112,653,467
SSGA ¹ U.S. TIPS Index Fund	33,597,170
SSGA ¹ Government Short-Term Investment Fund	35,190,777
SSGA ¹ Securities Lending Short-Term Collateral Investment Pool	73,614,900
Subtotal	365,507,078
International fixed income	
Western Asset Management Co.	7,307,090
Domestic equity	
Barrow, Hanley, Mewhinney & Strauss, Inc.	110,435,671
Boston Partners Asset Management	53,865,603
Fred Alger Management, Inc.	113,222,815
Voya Investment Management Co.	60,912,372
Institutional Capital L.L.C.	98,066,657
SSGA ¹ S&P 500 Flagship Fund	96,143,733
Subtotal	532,646,851
International equity	
Mondrian Investment Partners, Limited	(7,154)
Pyramis Global Advisors Trust Company	101,317,337
SSGA MSCI World-Ex-U.S. Index	60,309,152
Brandes Investment Partners	35,766,315
AQR Emerging Markets Index Fund	48,832,326
Subtotal	246,217,976
Real Estate	
RREEF America REIT II	27,970,208
RREEF America REIT III	7,806,034
UBS Trumbull Property Fund	28,783,679
Subtotal	64,559,921
Timber	
Molpus Woodlands Fund III	23,738,993
Commodities	
Wellington	26,302,992
Defined Contribution Pooled Funds	
SSGA ¹ Target Date Funds	3,294,383
SSGA ¹ Cash Series Prime Fund CL C	322,543
Subtotal	3,616,926
Total Investment Assets	\$ 1,269,897,827

¹State Street Global Advisors**Figure 48**

Investment Fees by Manager

Year ended December 31, 2014

Investment Management Fees:	Fees
Domestic Fixed Income Managers	
Richmond Capital Management, Inc.	\$ 221,096
Western Asset Management Co.	308,919
SSGA ¹ U.S. TIPS Index Fund	18,667
International Fixed Income Manager	
Western Asset Management Co.	20,038
Domestic Equity Managers	
Barrow, Hanley, Mewhinney, & Strauss, Inc.	546,347
Boston Partners Asset Management	499,310
Fred Alger Management, Inc.	518,367
Voya Investment Management Co.	479,919
Institutional Capital L.L.C.	486,241
SSGA ¹ S&P 500 Flagship Fund	37,639
International Equity Managers	
Mondrian Investment Partners, Limited	332,503
Pyramis Global Advisors Trust Company	576,079
SSGA MSCI World-Ex-U.S. Index	30,818
Brandes Investment Partners	228,761
AQR Emerging Markets Index Fund	50,583
Real Estate Managers	
RREEF America REIT II	259,818
RREEF America REIT III	141,464
UBS Trumbull Property Fund	304,161
Timber Manager	
Molpus Woodlands Fund III	235,097
Commodities	
Wellington	146,994
Subtotal Investment Management Fees	<u>5,442,821</u>
Other Investment Service Fees:	
Custodian Fees	
State Street Bank and Trust Company	266,330
Investment Consultant and Performance Measurement Fees	
Callan Associates, Inc.	236,274
NestEgg Consulting, Inc.	4,111
Subtotal Other Investment Service Fees	<u>506,715</u>
Total Investment Fees	<u>\$ 5,949,536</u>

¹State Street Global Advisors**Figure 49**

Investment Summary by Type of Investment

(as of December 31, 2014)

Type of Investment	Fair Value	% of Total Portfolio
Domestic equities:		
Consumer discretionary	\$ 74,742,401	5.89 %
Consumer staples	14,424,770	1.13
Energy	19,139,824	1.51
Financial services	81,887,553	6.45
Health care	79,185,317	6.24
Industrials	60,413,820	4.76
Information technology	81,461,266	6.40
Materials	16,852,061	1.33
Telecommunications services	3,415,973	0.27
Utilities	4,366,884	0.34
Venture Capital	613,249	0.05
Total domestic equities	436,503,118	34.37
Domestic equities - commingled funds	96,143,733	7.57
International equities:		
Consumer discretionary	15,553,666	1.22
Consumer staples	9,164,666	0.72
Energy	4,793,388	0.38
Financial services	24,478,902	1.93
Health care	14,469,285	1.14
Industrials	10,382,610	0.82
Information technology	6,777,051	0.53
Materials	7,344,725	0.58
Telecommunications services	5,670,864	0.45
Utilities	2,363,943	0.19
Private placement	311,083	0.02
Total international equities	101,310,183	7.98
International equities - commingled funds	144,907,793	11.41
Domestic fixed income:		
Government securities: long-term	44,528,189	3.50
Corporate debt instruments: long-term	92,164,438	7.26
Mortgage and asset-backed securities	77,938,194	6.14
Total domestic fixed income	214,630,821	16.90
TIPS	33,597,170	2.65
Timber	23,738,993	1.87
Target date funds	3,294,383	0.26
Commodities	26,302,992	2.07
Domestic high yield fixed income - commingled funds	8,473,410	0.67
International fixed income - commingled funds	7,307,090	0.57
Securities lending short-term collateral investment pool	73,614,900	5.80
Real estate	64,559,921	5.08
Short-term investments	35,513,320	2.80
Total Invested Assets¹	\$1,269,897,827	100.00%

¹Amounts do not include the City's cash deposits of \$794,368.

Figure 50

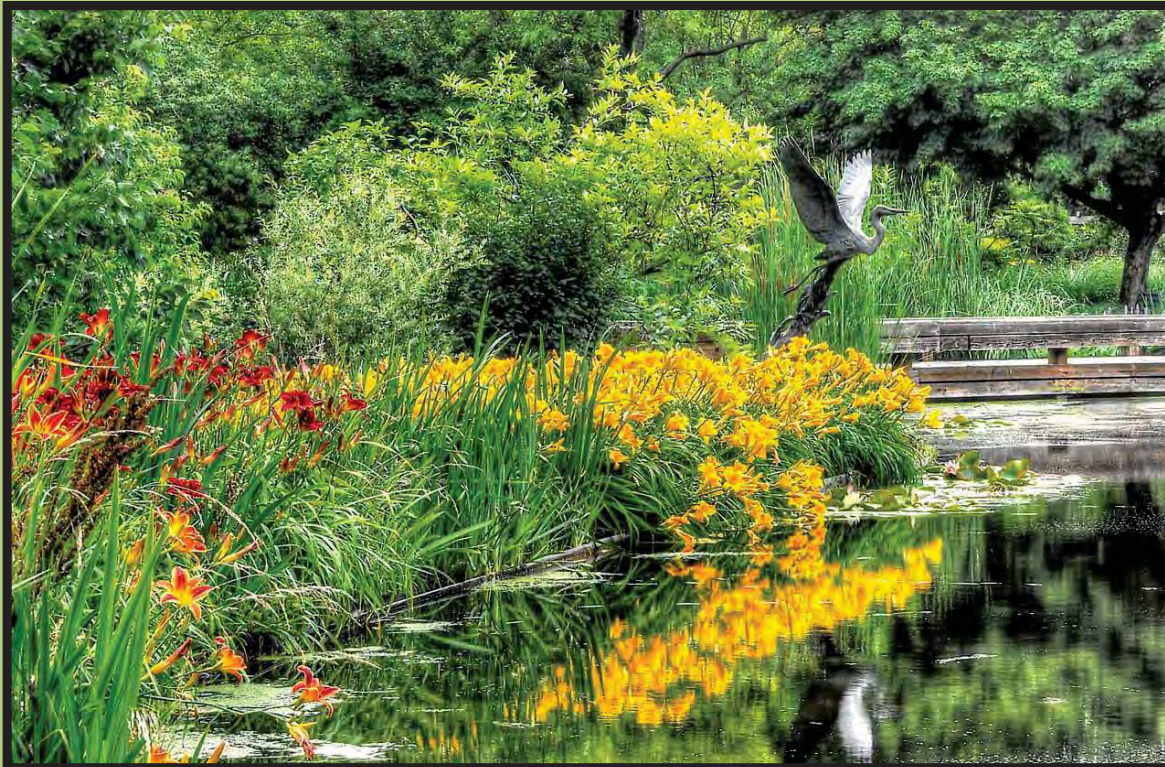
Brokerage Commissions

Year ended December 31, 2014

Brokerage Firm	Total Commissions	Shares	Commission Per Share	Percent of Total Commissions
State Street Bank and Trust Co.	\$ 100,949	2,332,466,608	\$0.00004	23.03%
Credit Suisse Securities (USA), L.L.C.	31,480	550,955,894	0.00006	7.18
BNY Convergenx, L.J.R.	23,282	744,346	0.03128	5.31
Morgan Stanley & Co., Incorporated	19,899	529,782,266	0.00004	4.54
Goldman Sachs & Company	17,970	91,717,234	0.00196	4.10
J.P. Morgan Securities, Inc.	14,135	531,782	0.02660	3.22
Goldman Sachs International	13,092	205,479,731	0.00006	2.99
Barclays Capital	12,290	386,000,850	0.00003	2.80
Fred Alger & Co., Inc.	12,233	4,619,026	0.00265	2.79
Broadcort Capital	9,263	304,995	0.03037	2.11
Credit Suisse Securities (Europe) Ltd.	7,211	8,843,406	0.00082	1.64
Merrill Lynch Pierce Fenner & Smith, Inc.	6,603	1,290,989	0.00511	1.51
UBS Ag.	6,591	903,774,251	0.00001	1.50
Sanford C. Bernstein Co., L.L.C.	6,389	252,639	0.02529	1.46
Instinet U.K. Ltd.	5,887	284,793,084	0.00002	1.34
ISI Group, Inc.	5,645	192,996	0.02925	1.29
Convergenx Execution Solutions, L.L.C.	5,483	183,524	0.02988	1.25
Macquarie Bank, Ltd.	5,413	180,234,920	0.00003	1.23
UBS Securities Asia, Ltd.	5,206	41,564,861	0.00013	1.19
Deutsche Bank Ag. London	4,735	54,214,900	0.00009	1.08
Citigroup Global Markets, Inc.	4,678	163,109,666	0.00003	1.07
Other firms (Includes 185 brokerage firms, each contributing less than 1% of total commissions)	119,933	794,620,689	0.00015	27.37
Total Brokerage Commissions	\$ 438,367	6,535,678,657	\$0.00007	100.00%

Figure 51

ACTUARIAL SECTION





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May 6, 2015

The Retirement Boards
Wichita Employees' Retirement System and
Police and Fire Retirement System of Wichita, Kansas
455 North Main Street, 12th Floor
Wichita, Kansas 67202

RE: Certification of December 31, 2014 Actuarial Valuations

Dear Board Members:

We certify that the information included herein and contained in the 2014 Actuarial Valuation Reports is accurate and fairly presents the actuarial position of the Wichita Employees' Retirement System (WER) and the Police and Fire Retirement System of Wichita, Kansas (WPF) as of December 31, 2014.

All calculations have been made in conformity with generally recognized and accepted actuarial principals and practices, and with applicable Actuarial Standards of Practice issued by the Actuarial Standards Board. In our opinion, the results presented comply with the requirements of the City ordinances, and, where applicable, the Internal Revenue Code, and the Statements of the Governmental Accounting Standards Board. The undersigned are independent actuaries who are experienced in performing valuations for public retirement systems. They are members of the American Academy of Actuaries and meet the Qualification Standards to render the actuarial opinion contained herein.

Actuarial Valuations

The primary purpose of the actuarial valuation is to determine the City's contribution rate to fund each System on an actuarial basis, to describe the current financial condition of the System, and to analyze changes in the Systems' condition.

Actuarial computations, based on the actuarial valuation performed as of December 31, 2014, were also prepared for purposes of fulfilling financial accounting requirements for the Systems under Governmental Accounting Standards Board Number 67 (GASB 67). The assumptions used in the funding valuations were also used for GASB 67 reporting, including the use of a 7.75% discount rate for GASB 67 calculations (7.75% is the assumed rate of return used in the funding valuation).

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The Retirement Boards
May 6, 2015
Page 2



In addition, the entry age normal actuarial cost method, which is required to be used under GASB 67, is also used in the funding valuation. The actuarial assumptions and methods meet the parameters set by Actuarial Standards of Practice (ASOPs), as issued by the Actuarial Standards Board, and generally accepted accounting principles (GAAP) applicable in the United States of America as promulgated by the Governmental Accounting Standards Board (GASB).

Funding valuations and GASB 67 calculations are prepared for each System annually, as of December 31 of each year, the last day of the System's plan and fiscal year.

Financing Objective of the Systems

The funding objective of each Retirement System is to establish and receive contributions which:

- when expressed as percents of active member payroll, will remain approximately level from generation to generation of Wichita citizens, and
- when combined with present assets and future investment returns will be sufficient to meet the financial obligations of the Systems to present and future retirees and beneficiaries.

The financial objective is addressed within the annual actuarial valuations. The valuation process develops contribution rates that are sufficient to fund the plan's current normal cost (i.e. the costs assigned by the valuation method to the year of service about to be rendered), as well as to fund unfunded actuarial liabilities as level percents of active member payroll in future years. The most recent annual actuarial valuations were completed based upon membership data, asset data and plan provisions as of December 31, 2014. For both the Wichita Employees' Retirement System and the Police and Fire Retirement System of Wichita, Kansas actuarial liabilities exceeded valuation assets. This difference, called the unfunded actuarial liability, was \$30.1 million for the Wichita Employees' Retirement System and \$31.0 million for the Police and Fire Retirement System of Wichita, Kansas. The unfunded actuarial liability is amortized as a level percent of payroll over 20 years in both Systems.

An asset smoothing method is used in the valuation process so actual investment experience is recognized over a period of time. On a market value basis, the rate of return on assets in 2014 was 5.1%. As a result, the rate of return on the actuarial value of assets for 2014 was over 8%, slightly higher than the assumed rate of 7.75%. This generated an experience gain on assets for both systems. There was an experience gain of \$3.4 million on liabilities from all sources during 2014 for the Wichita Employees' Retirement System and an experience gain of \$12.0 million on liabilities for the Police and Fire Retirement System of Wichita, Kansas. The market value of assets in both Systems exceeds the actuarial value with a difference of 1% for the Wichita Employees' Retirement System and 2% for the Police and Fire Retirement System of Wichita, Kansas. If investment returns over the next few years are at or above the assumed rate of return of 7.75%, the deferred investment gains will be recognized and contribution rates can be expected to decrease slightly.

On the basis of the 2014 valuations, it is our opinion that the Retirement Systems are meeting their basic financial objectives and continue in sound condition in accordance with the actuarial principles of the level percent of payroll financing.

The Retirement Boards
May 6, 2015
Page 3



Plan Provisions

The Plan provisions used in the actuarial valuations are described on pages 44 to 47 of the valuation report for the Wichita Employees' Retirement System and pages 48 to 51 of the valuation report for the Police and Fire Retirement System of Wichita, Kansas.

Data

In preparing the December 31, 2014 actuarial valuations, we have relied upon member and asset data provided by the Pension Manager. We have not subjected this data to any auditing procedures, but have examined the data for reasonableness and for consistency with prior years' data. If the underlying data or information is inaccurate or incomplete, our calculations may need to be revised.

Actuarial Methods and Assumptions

The actuarial methods and assumptions used in the valuations have been selected by the Board of Trustees of the Systems based upon the analysis and advice of the actuary and other professionals. These assumptions and methods may be found on pages 48 to 53 of the Wichita Employees' Retirement System valuation report and pages 52 to 56 for the Police and Fire Retirement System of Wichita, Kansas valuation report. The Board of Trustees has sole authority to determine the actuarial assumptions used for the plan. The assumptions are based on a study of actuarial experience for the five years ending December 31, 2013. As a result of that study, the Boards adopted several changes in the sets of actuarial assumptions during 2014 that were first implemented in the December 31, 2014 actuarial valuations. The specific assumptions that changed are listed in each of the valuation reports. The net impact was a \$3.6 million decrease in the actuarial liability for the Wichita Employees' Retirement System and a \$0.2 million increase in actuarial liability for the Police and Fire Retirement System of Wichita, Kansas.

In our opinion, the actuarial assumptions used are appropriate for purposes of the funding valuation and for GASB 67 purposes, are individually reasonable, are related to the experience of the Systems, and offer the best estimate of anticipated experience. In addition, we believe they comply with the requirements of Governmental Accounting Standards Board Statement No. 27. Nevertheless, the emerging costs will vary from those presented in the valuation reports to the extent actual experience differs from that projected by the actuarial assumptions.

The Retirement Boards
May 6, 2015
Page 4



The actuary prepared the following supporting schedules that are included in the Comprehensive Annual Financial Report. The items in the Actuarial Section can be found in the valuation report while the items in the Financial Statements Section can be found in the GASB 67 report.

Actuarial Section

Summary of Actuarial Methods and Assumptions
Schedule of Active Member Valuation Data
Solvency Test
Derivation of System Experience Gain/(Loss)

Financial Statements Section

Calculation of the Total Pension Liability and Net Pension Liability
Sensitivity Analysis of the Net Pension Liability
Schedule of Employer Contributions
Schedule of Changes in the Employers' Net Pension Liability

Retirement System staff prepared the schedules shown in the Statistical Section of the report, based in part upon the material prepared by the actuary.

I, Patrice A. Beckham, FSA, am a Member of the American Academy of Actuaries and a Fellow of the Society of Actuaries, and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

I, Brent A. Banister, FSA, am a Member of the American Academy of Actuaries and a Fellow of the Society of Actuaries, and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

Sincerely,

Patrice A. Beckham, FSA, EA, FCA, MAAA
Principal and Consulting Actuary

Brent A. Banister, PhD, FSA, EA, FCA, MAAA
Chief Pension Actuary

Wichita Employees' Retirement System Actuarial Information

Provisions of the plan are outlined in the financial section of this report beginning on Page 23. Implementation of Governmental Accounting Standards Board (GASB) Statement No. 67 required the need to prepare two actuarial valuations – one for funding purposes and one for accounting and financial reporting purposes. The actuarial cost methods and assumptions used for financial reporting purposes are consistent with those utilized for funding purposes.

Actuarial Cost Method

The actuarial cost method is a procedure for allocating the actuarial present value of pension plan benefits and expenses to time periods. The method used for the valuation is known as the Entry Age Normal actuarial cost method, and has the following characteristics:

- The annual normal costs for each individual active member are sufficient to accumulate the value of the member's pension at time of retirement;
- Each annual normal cost is a constant percentage of the member's year-by-year projected covered compensation;
- The Entry Age Normal actuarial cost method allocates the actuarial present value of each member's projected benefits on a level basis over the member's assumed pensionable compensation rates between the entry age of the member and the assumed exit age.

The portion of the actuarial present value of retirement system benefits allocated to the valuation year is called the normal cost. The portion of the actuarial present value not provided for by the actuarial present value of future normal costs is called the actuarial liability. Deducting actuarial assets from the actuarial liability determines the unfunded actuarial liability (or surplus). The Wichita Employees' Retirement System (WERS) had an unfunded actuarial liability of \$30.1 million as of December 31, 2014.

Actuarial Assumptions Used for Valuations

Retirement System contribution requirements and actuarial present values are calculated by applying experience assumptions to the benefit provisions and participant information of the Retirement System, using the actuarial cost method. These assumptions were proposed by the Fund's actuary following the completion of an experience study covering the period December 31, 2008 through December 31, 2013, and adopted by the Board on September 17, 2014. An experience study is performed every five years.

The actuarial valuation of assets is based upon the "Expected Value plus 25%" method, which smoothes the effect of market value fluctuations by recognizing 25% of the difference between the expected actuarial value and the market value of assets. The Board first adopted this methodology for the December 31, 2002 valuation. Actuarial gains and losses reduce or increase the unfunded actuarial liability or surplus, which is amortized over a rolling 20-year amortization period.

Net Investment Rate of Return

The investment return rate (net of administrative expenses) used for actuarial valuation calculations is 7.75% a year, compounded annually. This rate consists of 3.25% in recognition of long-term price inflation and 4.50% in recognition of a real rate of return over price inflation. This assumption, used to equate the value of payments due at different points in time, was adopted by the Board and was first used for the December 31, 1981 valuation, although the allocation between inflation and real return has changed periodically, most recently in 2014.

Salary Projections

These assumptions are used to project current salaries to determine average annual compensation. They consist of the same inflation component used for the investment return assumption, a component reflecting productivity and the competition from other employers for personnel, and a years-of-service component to reflect promotion and longevity increments (see Figure 52).

Salary increases are assumed to occur mid-year. The salary increase assumptions are expected to produce 4.00% annual increases in active member payroll (the inflation and productivity base rate), given a constant active member group size. This is the same payroll growth assumption used to amortize the unfunded actuarial liability. The rate of return over assumed wage growth is 3.75% per year. These assumptions were first used for the December 31, 2009 valuation.

Annual Rate of Salary Increases

Years of Service	Inflation Component	Productivity Component	Merit and Longevity	Total
1	3.25%	0.75%	3.20%	7.20%
2	3.25	0.75	3.00	7.00
3	3.25	0.75	2.80	6.80
4	3.25	0.75	2.60	6.60
5	3.25	0.75	2.40	6.40
6	3.25	0.75	2.20	6.20
7	3.25	0.75	2.00	6.00
8	3.25	0.75	1.80	5.80
9	3.25	0.75	1.70	5.70
10	3.25	0.75	1.60	5.60
11	3.25	0.75	1.50	5.50
12	3.25	0.75	1.40	5.40
13	3.25	0.75	1.30	5.30
14	3.25	0.75	1.20	5.20
15	3.25	0.75	1.06	5.06
16	3.25	0.75	0.92	4.92
17	3.25	0.75	0.78	4.78
18	3.25	0.75	0.64	4.64
19	3.25	0.75	0.50	4.50
20	3.25	0.75	0.50	4.50
21	3.25	0.75	0.50	4.50
22	3.25	0.75	0.50	4.50
23	3.25	0.75	0.50	4.50
24	3.25	0.75	0.50	4.50
25	3.25	0.75	0.50	4.50
>25	3.25	0.75	0.25	4.25

Figure 52

Annual Post-Retirement Benefit Increases

Retirees in Plan 1 are entitled to annual post-retirement benefit increases of 3% of their original benefit after 12 months of retirement. Retirees in Plan 2 are entitled to annual post-retirement benefit increases of 2% of their original benefit after 12 months of retirement. Post-retirement benefit increases are not compounded.

Rates of Retirement and Deferred Retirement Option Plan (DROP) Elections

The rates displayed in Figure 53 are used to measure the probability of eligible members retiring under either the regular retirement provisions or the Deferred Retirement Option Plan (DROP).

In addition, the following assumptions apply to members in this category:

- Plan 1: 70% of members with 30 or more years of service were assumed to elect the DROP with an average DROP period of 48 months. The remaining 30% are assumed to retire immediately.
- Plan 2: 70% of members with 33.33 or more years of service that are at least age 62 were assumed to elect the DROP with an average DROP period of 36 months.

All members of the Retirement System were assumed to retire on or before age 70. This assumption was first used for the December 31, 2009 valuation.

Marriage

Seventy percent of non-retired members were assumed to be married for purposes of death benefits. In each case, the male was assumed to be three years older than the female.

Sick Leave

The calculated normal retirement benefits were increased by 2.5% to account for the inclusion of unused sick leave in the calculation of service credit. This assumption was last revised with the December 31, 2014 valuation.

Rates of Retirement

Retirement Age	Plan 1	Plan 2
55	15%	3%
56	15	3
57	15	3
58	15	3
59	15	3
60	40	3
61	40	20
62	20	40
63	20	25
64	20	25
65	100	50
66	N/A	35
67	N/A	20
68	N/A	20
69	N/A	20
70	N/A	100

Figure 53

Forfeiture of Vested Benefits

A percentage of the actuarial present value of vested termination benefits is assumed to be forfeited by a withdrawal of accumulated contributions. This percentage is applied individually based on years of service. The data in Figure 54 was first used for the December 31, 2004 actuarial valuation.

Forfeiture of Vested Benefits

Years of Service	Percent Forfeiting
< 15	60%
15 - 19	40
20 - 24	20
>= 25	0

Figure 54

Plan 3 Transfer

Plan 3 (defined contribution plan) members are assumed to elect Plan 2 if they acquire seven years of service. An actuarial reserve is held for the difference between the market and actuarial value of assets. This assumption was last revised for the December 31, 2004 valuation.

Mortality Table

The RP-2000 mortality tables (RP-2000 Healthy Annuitant Tables, RP-2000 Disabled Table and RP-2000 Employee Table) were first used for the December 31, 2004 valuation (see Figure 55). The Healthy Annuitant and Employee Tables are set forward two years for males to fit the observed experience of the group. The RP-2000 Tables are used with generational mortality. These tables measure the probabilities of members dying before retirement and the probabilities of each pension payment being made after retirement.

Future Life Expectancy (Years)

Sample Ages ¹	Men	Women
50	30.4	34.6
55	25.7	29.7
60	21.2	25.1
65	16.9	20.7
70	13.0	16.7
75	9.7	13.0
80	6.9	9.8
85	4.8	7.1

¹ Ages in 2000

Figure 55

Rates of Disability

This assumption measured the probabilities of a member becoming disabled. This assumption was eliminated in the December 31, 2014 valuation.

Rates of Separation from Active Membership

This assumption (see Figure 56 below) measures the probabilities of a member terminating employment. The rates do not apply to members who are eligible to retire. This assumption was last revised for the December 31, 2014 valuation.

Rates of Separation

Years of Service	Annual Termination Probability
0	13.00%
1	13.00%
2	11.00%
3	9.00%
4	8.00%
5	7.00%
6	6.00%
7	5.00%
8-12	4.50%
13	4.00%
14	3.50%
15	3.00%
16	2.75%
17	2.50%
18	2.50%
19	2.25%
20 or more	2.00%

Figure 56

Wichita Employees' Retirement System Actuarial Tables

Active Member Valuation Data

Valuation Date	Number of Members				Annual Payroll (\$000's)	Average Annual Pay	Increase (Decrease) In Average Annual Pay
	Plan 1	Plan 2	Plan 3 ¹	Total			
12/31/2005	151	900	822	1,873	\$72,367	\$38,637	(1.0)%
12/31/2006	134	922	837	1,893	75,881	40,085	3.7
12/31/2007	113	947	838	1,898	78,736	41,484	3.5
12/31/2008	92	958	852	1,902	81,580	42,892	3.4
12/31/2009	80	998	740	1,818	82,704	45,492	6.1
12/31/2010	61	993	661	1,715	79,636	46,435	2.1
12/31/2011	31	916	611	1,558	75,444	48,424	4.3
12/31/2012	26	950	527	1,503	70,783	47,094	(2.7)
12/31/2013	15	957	517	1,489	70,952	49,068	4.2
12/31/2014	8	989	520	1,517	71,391	47,061	(4.1)

¹ Does not include vested Plan 3 Members

Figure 57

Average Annual Pay and Total Members

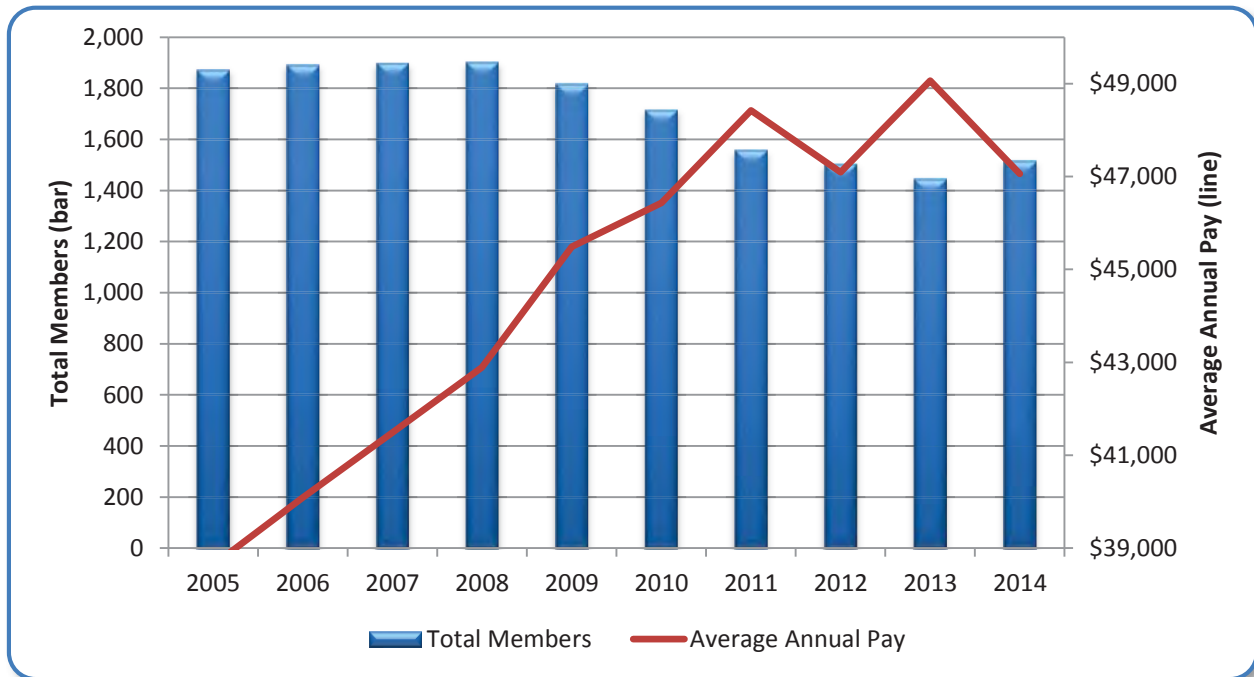


Figure 58

Retirants and Beneficiaries Added to and Removed from Rolls

Valuation Date	Added to Rolls		Removed from Rolls		End of Year Rolls		Annual Pensions	
	#	Annual Pensions ¹	#	Annual Pensions ¹	#	Annual Pensions ¹	Average Pension	Percentage Increase(Decrease)
12/31/2005	58	\$1,256,205	40	\$403,572	1,080	\$22,803,853	\$21,115	5.3%
12/31/2006	63	1,205,241	41	580,114	1,102	24,146,982	21,912	3.8
12/31/2007	77	1,763,901	47	665,077	1,132	25,757,557	22,754	3.8
12/31/2008	79	1,879,045	44	693,343	1,167	27,520,308	23,582	3.6
12/31/2009	66	1,338,875	52	708,830	1,181	28,730,505	24,327	3.2
12/31/2010	71	1,847,020	59	949,872	1,193	29,855,835	26,026	2.9
12/31/2011	16	4,305,336	47	824,103	1,310	32,885,454	25,103	0.3
12/31/2012	50	1,010,373	58	1,036,870	1,302	31,730,663	24,371	(2.9)
12/31/2013	72	1,676,296	47	744,036	1,327	33,294,857	25,090	3.0
12/31/2014	68	1,549,070	54	927,726	1,341	34,427,388	25,673	2.3

¹ Values are estimated based upon annualized pension amounts.

Figure 59

Solvency Test

Aggregate Actuarial Liability for							
	(1)	(2)	(3)				
Valuation Date	Active Member Contributions	Retirants and Beneficiaries ¹	Active Members (Employer Financed) Portion)	Reported Valuation Assets	Portion of Actuarial Liabilities Covered by Reported Assets		
					(1)	(2)	(3)
12/31/2005	\$43,397,403	\$228,408,201	\$161,491,272	479,274,508	100	100	128.5
12/31/2006	45,475,389	237,860,848	175,725,905	505,755,995	100	100	126.6
12/31/2007	46,189,489	256,374,002	180,823,537	533,911,465	100	100	127.9
12/31/2008	46,541,280	272,176,420	193,655,822	512,583,345	100	100	100.2
12/31/2009	49,152,328	279,396,973	200,722,170	509,493,888	100	100	90.1
12/31/2010	50,473,365	293,227,477	196,734,871	516,307,845	100	100	87.7
12/31/2011	45,440,569	349,202,490	160,530,664	513,298,382	100	100	73.9
12/31/2012	49,519,050	347,350,296	174,936,109	520,320,051	100	100	70.6
12/31/2013	50,337,976	362,224,034	169,823,819	542,157,342	100	100	76.3
12/31/2014	51,408,059	369,926,908	168,780,115	560,031,764	100	100	82.2

¹ Includes vested terminated members.

Figure 60

System Experience

For the year ended December 31, 2014, the Wichita Employees' Retirement System generated an actuarial gain of \$5.6 million, or 1.0% of the beginning of the year actuarial liability (see Figure 61).

Derivation of System Experience Gain/(Loss)

			Year Ended 12/31/14 (in millions)
(1)		UAL ¹ at start of year	\$40.2
(2)	+	Normal cost for year	8.6
(3)	+	Assumed investment return on (1) and (2)	3.8
(4)	-	Actual contributions (member + City)	12.8
(5)	-	Assumed investment return on (4)	0.5
(6)	=	Expected UAL at end of year	39.3
(7)	+	Increase (decrease) from assumption changes	(3.6)
(8)	=	Expected UAL after changes	35.7
(9)	=	Actual UAL at year end	30.1
(10)	=	Experience gain (loss) (8) – (9) ²	\$ 5.6
(11)	=	Percent of beginning of year AL	1.0%

¹ Unfunded Actuarial Liability/(Surplus)

² Of this amount, \$2.2 million of the experience gain is due to an experience gain on the actuarial value of assets and \$3.4 million represents an experience gain on liabilities.

Figure 61

Schedule of Funding Progress

(Dollar amounts in thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Accrued Actuarial Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/05	\$ 479,275	\$ 433,297	\$ (45,978)	110.6	\$ 72,367	(63.5)%
12/31/06	505,756	459,062	(46,694)	110.2	75,881	(61.5)%
12/31/07	533,911	483,387	(50,524)	110.5	78,736	(64.2)%
12/31/08	512,853	512,373	(480)	100.1	81,580	(0.6)%
12/31/09	509,494	529,271	19,777	96.3	82,704	23.9%
12/31/10	516,308	540,436	24,128	95.5	79,636	30.3%
12/31/11	513,298	555,174	41,876	92.5	75,444	55.5%
12/31/12	520,320	571,805	51,485	91.0	70,783	72.7%
12/31/13	542,157	582,386	40,229	93.1	70,953	56.7%
12/31/14	560,032	590,115	30,083	94.9	71,391	42.1%

Figure 62

A Schedule of Employer Contributions, including a comparison of actuarially determined contributions to actual contributions made, is presented in the financial section of this report on Page 32.

Wichita Employees' Retirement System Summary of Benefit Provisions

Defined Benefit Plans 1 and 2

Plan 1 is a closed plan, which is applicable to members employed prior to July 18, 1981 who did not elect to be covered by Plan 2. Plan 2 is applicable to members employed prior to July 18, 1981 who elected to be covered by Plan 2, those employed or re-employed on or after July 18, 1981 and before January 1, 1994, and Plan 3 members who, upon vesting, elect to become members of Plan 2.

Normal Retirement

- **Eligibility**
 - Plan 1: Age 60 with seven or more years of service, or any age with 30 or more years of service.
 - Plan 2: Age 62 with seven or more years of service.
- **Benefit**
 - Plan 1: Years of service times 2.5% of final average salary, to a maximum of 75%.
 - Plan 2: Years of service times 2.25% of final average salary, to a maximum of 75%.
- **Final Average Salary**
 - Average for the three consecutive years within the last 10 years of service that produce the highest average salary.

Early Retirement

- **Eligibility**
 - Age 55 with seven or more years of service.
- **Benefit**
 - An amount computed as for normal retirement, but reduced for each month retirement precedes age 60 under Plan 1 and age 62 under Plan 2. The amount of reduction per month of early retirement is:
 - Plan 1: A service-graduated percentage for each month retirement precedes age 60. The percentage is .05 of 1% if service is 29 years but less than 30 years, increasing by .05 of 1% for each additional year service is less than 30 years, to a maximum of .50 of 1% if service is less than 20 years.
 - Plan 2: An age-graduated percentage for each month retirement precedes age 62. The percentage is 0.6% for each month that the member's age precedes age 62, up to a maximum of 50.4% at age 55.

Service-Connected Disability

- **Eligibility**
 - No age or service requirement. Disability must be permanent and total, and precludes performance of any duties for a City position commensurate with the employee's training, experience, and education.
- **Benefit**
 - Plan 1: 60% of final rate of salary.
 - Plan 2: 50% of final rate of salary.

Non-Service Connected Disability

- **Eligibility**
 - Seven or more years of service and under age 60, Plan 1, or age 62, Plan 2. Disability must be permanent and total, and precludes performance of any duties for a City position commensurate with the employee's training, experience, and education.
- **Benefit**
 - Plan 1: 30% of final average salary plus 1% of final average salary for each year of service in excess of seven years, to a maximum of 50%.
 - Plan 2: 25% of final rate of salary.

Deferred Retirement Option Plan (DROP)

- **Eligibility**
 - Must be eligible for retirement, and elect to participate in the DROP for 1 to 60 months.
- **DROP Benefit**
 - Benefit computed based on years of service and final average salary as of DROP election date, which is paid into member's notational DROP account during the deferral period. Member continues to make required employee contributions during the deferral period. Interest at an annual rate of 5% is credited to the notational DROP account. Voluntary termination of employment during the DROP period results in a loss of accrued interest. Balance of DROP account is payable within 90 days of actual termination of employment.

Deferred Retirement

- **Eligibility**
 - Termination of service.
 - Plan 1: 7 or more years of service and under age 60.
 - Plan 2: 7 or more years of service and under age 62.
- **Deferred Benefit**
 - Deferred pensioner may apply for a reduced retirement benefit upon meeting the applicable age requirement for early retirement (55 years) or an unreduced pension upon meeting the applicable age requirement for normal retirement (60 years, Plan 1 or 62 years, Plan 2). A refund of employee contributions, plus 5% annual interest, may be elected in lieu of a retirement benefit.
 - Retirement benefit is computed as for normal retirement. Deferred pensions are adjusted during the deferral period based on changes in the National Average Earnings Index, up to 5.5% annually.

Pre-Retirement Survivor Benefits

- **Eligibility - Surviving spouse and minor child**
 - Death of employee with seven or more years of credited service.
- **Benefit**
 - 50% of the benefit earned by the deceased employee at the time of death, plus 10% of the deceased employee's final average salary for each minor child under age 18, to a maximum of 75% of final average salary. If no surviving spouse, benefit is 20% of final average salary on account of each child to a maximum of 60% of final average salary; terminates when child reaches age 18.
- **Designated Beneficiary**
 - When no spouse or minor child is eligible for a survivor's benefit, the beneficiary designated by the retiree.
- **Benefit**
 - Accumulated contributions plus 5% annual interest, and one month's salary for each full year of service, not to exceed six months of salary.

Post-Retirement Survivor Benefits

- **Eligibility**
 - Spouse must have been married to retired employee for one year or more at time of death if retired after January 1, 2000. If retired prior to January 1, 2000, must have been married to retired employee at retirement.
 - Minor child must be under age 18.
- **Benefit**
 - 50% of benefit paid to retiree at time of death, plus 10% of retiree's final average salary for each minor child under age 18, to a maximum of 75% of final average salary. If no surviving spouse, benefit is 20% of final average salary on account of each child to a maximum of 60% of final average salary; terminates when child reaches age 18.
 - Plan 1: \$1,500 funeral benefit.
- **Designated Beneficiary**
 - When no spouse or minor child is eligible for a survivor's benefit, the beneficiary designated by the retiree.
- **Benefit**
 - Final partial benefit due retiree through date of death plus balance, if any, of contributions and interest.
 - Plan 1: \$1,500 funeral benefit.

Refund of Contributions

- **Eligibility**
 - Termination of employment without eligibility for any other benefit.
- **Amount**
 - Accumulated contributions at the time of termination, plus 5% annual interest.

Post-Retirement Adjustment of Pension Benefit

- **Eligibility**
 - Plan 1: Completion of 12 months of retirement and annually thereafter.
 - Plan 2: Completion of 12 months of retirement and annually thereafter (effective February 19, 2000).
- **Benefit**
 - Plan 1: 3% of base pension benefit (not compounded).
 - Plan 2: 2% of base pension benefit (not compounded).

Employee Contributions

- Plan 1: 6.4% of base salary, longevity and overtime pay.
- Plan 2: 4.7% of base salary and longevity pay (effective February 19, 2000).

Employer Contributions

- Actuarially determined amounts which, together with employee contributions and investment earnings, will fund the obligations of the System in accordance with accepted actuarial principles.

Unused Sick Leave

- Accumulated unused sick leave is converted to service credits for the purpose of computing annual benefits.

Defined Contribution Plan 3

Plan 3 is applicable to members employed on or after January 1, 1994 who have not become covered by Plan 2. Plan 3 members automatically transfer to Plan 2 at the time they acquire 7 years of service, unless they file an irrevocable election to remain in Plan 3.

Employee Contributions

- 4.7% of compensation (effective February 19, 2000).

Employer Contributions

- 4.7% of compensation (effective February 19, 2000).

Vesting of Contributions

- Employee contributions and investment earnings thereon are 100% vested.
- Employer contributions and investment earnings thereon are 25% vested after three years of service, 50% vested after five years of service, and 100% vested after seven years of service.

Distribution of Vested Accounts

- Vested accounts are payable upon termination of City employment or death of employee.

Service-Connected Disability

- **Eligibility**
 - No age or service requirement. Disability must be permanent and total, and precludes the performance of any duties for a City position commensurate with the employee's training, experience, and education.
- **Benefit**
 - 50% of final rate of salary; or distribution of vested Plan 3 account.

Non-Service Connected Disability

- **Eligibility**
 - Seven or more years of service and under age 62. Disability must be permanent and total, and precludes the performance of any duties for a City position commensurate with the employee's training, experience, and education.
- **Benefit**
 - 25% of final rate of salary; or distribution of vested Plan 3 account.

A more detailed description of Plan provisions is available upon request from the Pension Management Office.

Police and Fire Retirement System Actuarial Information

Provisions of the plan are outlined in the financial section of this report beginning on Page 27. Implementation of Governmental Accounting Standards Board (GASB) Statement No. 67 required the need to prepare two actuarial valuations – one for funding purposes and one for accounting and financial reporting purposes. The actuarial cost methods and assumptions used for financial reporting purposes are consistent with those utilized for funding purposes.

Actuarial Cost Method

The actuarial cost method is a procedure for allocating the actuarial present value of pension plan benefits and expenses to time periods. The method used for the valuation is known as the Entry Age Normal actuarial cost method, and has the following characteristics:

- The annual normal costs for each individual active member are sufficient to accumulate the value of the member's pension at time of retirement;
- Each annual normal cost is a constant percentage of the member's year-by-year projected covered compensation;
- Normal costs for Plans A and B (closed plans) were based upon Plan C-79 (open plan) assumptions and benefit conditions.

The Entry Age Normal actuarial cost method allocates the actuarial present value of each member's projected benefits on a level basis over the member's assumed pensionable compensation rates between the entry age of the member and the assumed exit age. By applying the Entry Age Normal cost method as described above, the ultimate normal cost will remain level as a percent of active member payroll (if actuarial assumptions are realized) as Plan A and Plan B members leave active status and are replaced by members entering Plan C-79.

The portion of the actuarial present value of retirement system benefits allocated to the valuation year is called the normal cost. The portion of the actuarial present value not provided for by the actuarial present value of future normal costs is called the actuarial liability. Deducting actuarial assets from the actuarial liability determines the unfunded actuarial liability or (surplus). The Police and Fire Retirement System (PFRS) had an unfunded actuarial accrued liability of \$31.0 million as of December 31, 2014.

Actuarial Assumptions Used for Valuations

Retirement System contribution requirements and actuarial present values are calculated by applying experience assumptions to the benefit provisions and participant information of the Retirement System, using the actuarial cost method. These assumptions were proposed by the Fund's actuary following the completion of an experience study covering the period December 31, 2008 through December 31, 2013, and adopted by the Board August 27, 2014. An experience study is performed every five years.

The actuarial valuation of assets is based upon the "Expected Value plus 25%" method, which smoothes the effect of market value fluctuations by recognizing 25% of the difference between the expected actuarial value and the market value of assets. The Board first adopted this methodology for the December 31, 2002 valuation. Actuarial gains and losses reduce or increase the unfunded actuarial liability or surplus, which is amortized over a rolling 20-year amortization period.

Net Investment Rate of Return

The investment rate of return (net of administrative expenses) used for actuarial valuation calculations was 7.75% a year, compounded annually. This rate consists of 3.25% in recognition of long-term price inflation and 4.50% in recognition of a real rate of return over price inflation. This assumption, used to equate the value of payments due at different points in time, was adopted by the Board and was first used for the December 31, 1980 valuation, although the allocation between inflation and real return has changed periodically, most recently in 2014.

Salary Projections

These assumptions are used to project current salaries to determine average annual compensation. They consist of the same inflation component used for the investment return assumption, a component reflecting productivity and the competition from other employers for personnel, and a years-of-service component to reflect promotion and longevity increments (see Figure 63).

Salary increases are assumed to occur mid-year. The salary increase assumptions are expected to produce 4.00% annual increases in active member payroll (the inflation and productivity base rate) given a constant active member group size.

This is the same payroll growth assumption used to amortize the unfunded actuarial liability. The rate of return over assumed wage growth is 3.75% per year. These assumptions were first used for the December 31, 2014 valuation.

Annual Rate of Salary Increases

Years of Service	Inflation Component	Productivity Component	Merit and Longevity	Total
1	3.25%	0.75%	2.75%	6.75%
5	3.25	0.75	2.75	6.75
10	3.25	0.75	2.75	6.75
15	3.25	0.75	2.75	6.75
20	3.25	0.75	1.00	5.00
25	3.25	0.75	1.00	5.00
30	3.25	0.75	1.00	5.00

Figure 63

Annual Post-Retirement Benefit Increases

Retirees in the Police & Fire Retirement System are entitled to annual post-retirement benefit increases of 2% of their original benefit after 36 months of retirement. Post-retirement benefit increases are not compounded.

Forfeiture of Vested Benefits

A percentage of the actuarial present value of vested termination benefits will be forfeited by a withdrawal of accumulated contributions. The percentage is applied individually based on years of service. This table (Figure 64) was first used for the December 31, 2014 valuation.

Forfeiture of Vested Benefits

Years of Service	Percent Forfeiting
10 – 14	75%
15 – 19	10
20 or more	0

Figure 64

Rates of Retirement

These rates (see Figure 65) are used to measure the probability of eligible members retiring and applicable elections under the BackDROP program. It is assumed that members who retire under service retirement provisions elect a BackDROP of up to five years which maximizes the actuarial value of the retirement benefit determined as of the retirement date. These rates were first used for the December 31, 2014 valuation.

Rates of Retirement for Plans A, B and C-79

Plans A & B			Plan C-79				
Years of Service	Police	Fire	Age	Less than 30 YOS		30 or More YOS	
				Police	Fire	Police	Fire
28 or less	5%	5%	50	10%	10%	10%	20%
29	5	5	51	10	10	10	20
30	10	5	52	10	10	10	20
31	10	5	53	20	15	10	20
32	30	25	54	20	15	10	20
33	50	25	55	20	10	10	25
34	50	25	56	20	10	30	25
35	100	100	57	20	20	30	30
Over 35	100	100	58	20	15	30	50
			59	20	15	30	50
			60	100	100	100	100
			Over 60	100	100	100	100

Figure 65

Rates of Separation from Active Membership

This assumption measures the probabilities of a member terminating employment. The rates (see Figure 66) do not apply to members who are eligible to retire. These rates were first used for the December 31, 2014 valuation.

Years of Service	<u>Rates of Separation</u> % Separating Within Year	
	Police	Fire
0 – 4	5.50%	3.00%
5 – 7	3.00	3.00
8 – 13	3.00	2.50
14 – 15	1.00	2.00
16 – 22	1.00	0.00
Over 22	0.00	0.00

Figure 66

Rates of Disability

This assumption measures the probabilities of a member receiving a disability retirement (see Figure 67). The rates do not apply to members who are eligible to retire. The rates of recovery from disability are assumed to be zero. These rates were first used for the December 31, 2014 valuation.

Sample Ages	<u>Rates of Disability</u> Percent Disabled During the Year	
	Police	Fire
20	0.09%	0.07%
25	0.15	0.12
30	0.30	0.24
35	0.49	0.39
40	0.69	0.54
45	0.88	0.70
50	1.08	0.85
55	1.28	0.91

Figure 67

Mortality Table

The RP-2000 mortality tables (RP-2000 Healthy Annuitant Tables, RP-2000 Disabled Table and RP-2000 Employee Table) were first used for the December 31, 2004 valuation (see Figure 68 below). The RP-2000 Tables are used with generational mortality. These tables measure the probabilities of members dying before retirement and the probabilities of each pension payment being made after retirement.

Future Life Expectancy (Years)

Sample Ages ¹	Men	Women
50	32.3	34.6
55	27.6	29.7
60	23.0	25.1
65	18.5	20.7
70	14.5	16.7
75	10.9	13.0
80	7.9	9.8
85	5.6	7.1

¹ Ages in 2000

Figure 68

Marriage

Eighty percent of non-retired members are assumed to be married for purposes of death benefits. In each case, the male was assumed to be three years older than the female.

Sick Leave

The calculated normal retirement benefits were increased by 3% to account for the inclusion of unused sick leave in the calculation of service credit. This assumption was last revised for the December 31, 2014 valuation.

Police and Fire Retirement System Actuarial Tables

Active Member Valuation Data

Valuation Date	Number of Members		Total Members	Annual Payroll (\$000's)	Average Annual Pay	% Increase In Average Annual Pay
	Plan A	Plan C-79				
12/31/2005	62	988	1,050	\$52,207	\$49,721	4.90%
12/31/2006	59	1021	1,080	53,530	49,565	(0.30)
12/31/2007	57	1035	1,092	57,310	52,482	5.90
12/31/2008	47	1029	1,076	60,282	56,024	6.70
12/31/2009	32	1,068	1,100	63,055	57,323	2.30
12/31/2010	21	1,068	1,089	63,077	57,922	1.00
12/31/2011	14	1,074	1,088	62,759	57,683	(0.40)
12/31/2012	11	1,073	1,084	64,150	59,179	2.60
12/31/2013	9	1,076	1,085	65,306	60,190	1.70
12/31/2014	8	1,060	1,068	64,572	60,461	0.05

Figure 69

Average Annual Pay and Total Members

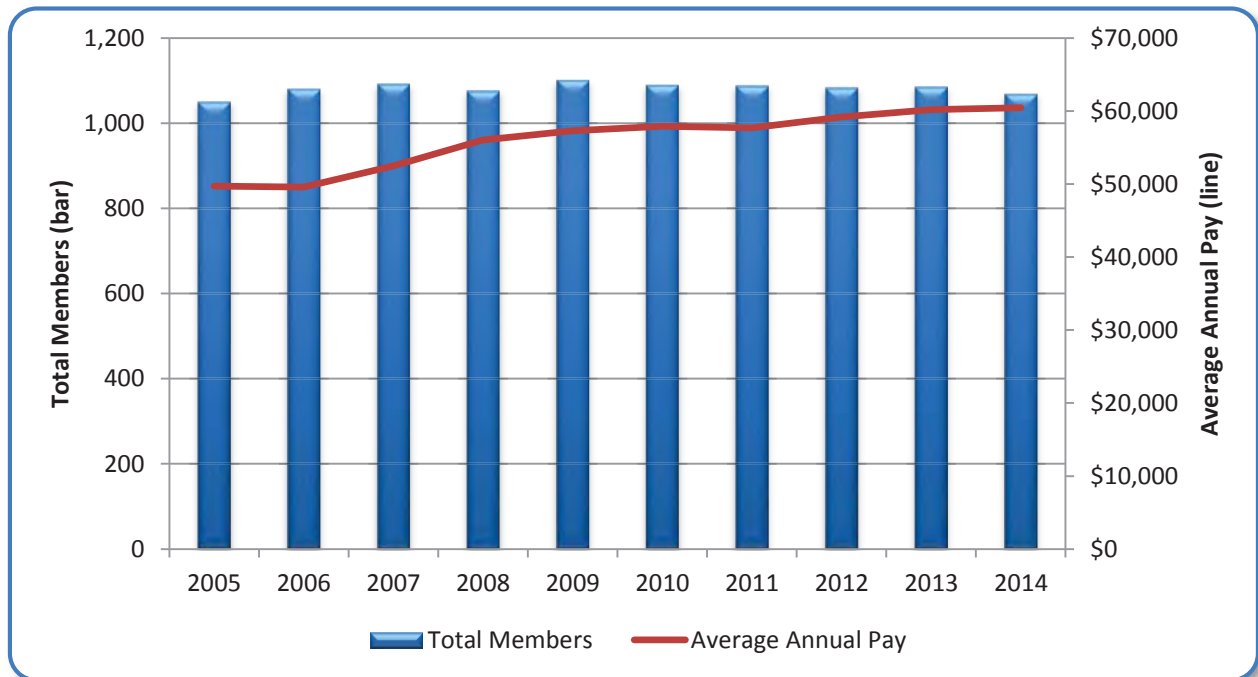


Figure 70

Retirants and Beneficiaries Added to and Removed from Rolls

Valuation Date	Added to Rolls		Removed from Rolls		End of Year Rolls		Annual Pensions	
	#	Annual Pensions ¹	#	Annual Pensions ¹	#	Annual Pensions ¹	Average Pension	Percentage Increase (Decrease)
12/31/2005	24	\$ 704,201	21	\$213,529	835	\$17,829,449	\$21,302	4.0%
12/31/2006	29	715,353	26	389,856	840	18,349,917	21,845	2.5
12/31/2007	21	548,513	28	452,202	833	18,777,464	22,542	3.2
12/31/2008	39	510,543	32	417,236	840	19,492,053	23,205	2.9
12/31/2009	57	1,959,741	24	398,908	873	21,357,569	24,465	5.4
12/31/2010	47	1,439,435	28	541,662	892	22,570,141	25,303	3.4
12/31/2011	48	1,615,338	29	525,289	911	24,030,607	26,378	4.2
12/31/2012	33	1,201,800	23	435,120	921	25,226,219	27,390	3.8
12/31/2013	48	1,938,485	17	380,985	952	27,143,376	28,512	4.1
12/31/2014	63	2,400,693	42	850,741	971	29,165,652	30,037	5.3

¹ Values are estimated based on annualized pension amounts.

Figure 71

Solvency Test

Valuation Date	Aggregate Actuarial Liability for						
	(1)	(2)	(3)	Reported Valuation Assets	Portion of Actuarial Liabilities Covered by Reported Assets		
	Active Member Contributions	Retirants and Beneficiaries ¹	Active Members (Employer Financed) Portion)		(1)	(2)	(3)
12/31/2005	\$ 44,057,922	\$ 201,560,068	\$ 159,408,592	\$ 412,822,760	100	100	99.2%
12/31/2006	48,361,719	216,449,174	174,368,239	444,497,827	100	100	103.1
12/31/2007	53,686,866	230,893,426	183,534,348	480,820,001	100	100	106.9
12/31/2008	58,050,319	238,590,747	199,920,080	472,345,191	100	100	87.9
12/31/2009	60,326,408	257,298,665	202,309,181	480,555,562	100	100	80.5
12/31/2010	63,515,814	270,693,677	202,698,947	497,925,786	100	100	80.8
12/31/2011	66,390,179	293,730,691	202,367,017	510,946,217	100	100	74.5
12/31/2012	70,527,705	305,985,839	212,559,831	533,380,618	100	100	73.8
12/31/2013	74,238,693	325,096,785	218,412,805	571,261,929	100	100	78.7
12/31/2014	74,684,418	348,915,979	208,304,004	600,860,146	100	100	85.1

¹ Includes vested terminated members.

Figure 72

System Experience

For the year ended December 31, 2014, the Police and Fire Retirement System generated an actuarial gain of \$15.4 million, or 2.5% of the beginning of the year actuarial liability (see Figure 73).

Derivation of System Experience Gain/(Loss)

			Year Ended 12/31/14 (in millions)
(1)		UAL ¹ at start of year	\$46.5
(2)	+	Normal cost for year	15.3
(3)	+	Assumed investment return on (1) and (2)	4.1
(4)	-	Actual contributions (member + City)	19.0
(5)	-	Assumed investment return on (4)	0.7
(6)	=	Expected UAL at end of year	46.2
(7)	+	Increase (decrease) from assumption changes	0.2
(8)	=	Expected UAL after changes	46.4
(9)	=	Actual UAL at year end	31.0
(10)	=	Experience gain (loss) (9) – (10) ²	\$15.4
(11)	=	Percent of beginning of year AL	2.5%

¹ Unfunded Actuarial Liability/(Surplus)

² Of this amount, there was an experience gain of \$3.4 million due to the actuarial value of assets and an experience gain of \$12.0 million on actuarial liabilities.

Figure 73

Schedule of Funding Progress

(Dollar amounts in thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/05	\$ 412,823	\$ 414,027	\$ 1,204	99.7	\$ 52,207	2.3%
12/31/06	444,498	439,179	(5,319)	101.2	53,530	9.9%
12/31/07	480,820	468,115	(12,705)	102.7	57,310	(22.2)%
12/31/08	472,345	496,561	24,216	95.1	60,282	40.2%
12/31/09	480,556	519,934	39,378	92.4	63,055	62.5%
12/31/10	597,926	536,908	38,982	92.7	63,077	61.8%
12/31/11	510,946	562,488	51,542	90.8	62,759	82.1%
12/31/12	533,381	589,074	55,693	90.5	64,150	86.8%
12/31/13	571,262	617,748	46,486	92.5	65,306	71.2%
12/31/14	600,860	631,904	31,044	95.1	64,572	48.1%

Figure 74

A Schedule of Employer Contributions, including a comparison of actuarially determined contributions to actual contributions made, is presented in the financial section of this report on Page 32.

Police and Fire Retirement System Summary of Benefit Provisions

Defined Benefit Plans A, B and C-79

Plan A is a closed plan which is applicable to members who entered the System between January 1, 1965 and December 31, 1978; and to members who entered prior to January 1, 1965 and elected Plan A coverage. Plan B is a closed plan which is applicable to members who entered the System prior to January 1, 1965 and elected Plan B coverage. Plan C-79 is an open plan which is applicable to members entering the System after December 31, 1978.

Service Retirement

- **Eligibility**
 - Plan A and Plan B: Any age with 20 years of service.
 - Plan C-79: Age 55 with between 10 and 20 years of service, age 50 with 20 or more years of service, or any age with 30 years of service.
- **Benefit**
 - Years of service times 2.5% of final average salary, to a maximum of 75%.
- **Final Average Salary**
 - Average for the three consecutive years within the last 10 years of service that produce the highest average salary.

Deferred Retirement

- **Eligibility**
 - Ten or more years of service (does not include survivor benefits if service is less than 20 years) and under age 55. Deferred pensioner may apply for a normal retirement benefit upon attainment of age 55. A refund of employee contributions, plus 5% annual interest, may be elected in lieu of a retirement benefit.
- **Deferred Benefit**
 - Retirement benefit is computed as for normal retirement. Deferred pensions are adjusted during the deferral period based on changes in the National Average Earnings Index, up to 5.5% annually.

Backward Deferred Retirement Option Plan (Back DROP)

- **Eligibility**
 - Must be eligible for retirement and, prior to retirement, elect the Back DROP for a period of 1 to 60 months.
- **Benefit**
 - Under the Back DROP, the member may elect a benefit based on a retirement date up to 60 months prior to the current date. The monthly benefit is computed based on service, final average salary and benefit formula at the selected prior date. The DROP account available to the retiring member is the computed benefit multiplied by the number of months of Back DROP plus applicable post-retirement adjustments and 5% annual compounded interest.

Service-Connected Disability

- **Eligibility**
 - No age or service requirement. Disability must be permanent and preclude employee from performing the duties of their position.
- **Benefit**
 - 75% of final salary.
- **Conditions**
 - Benefit plus earnings from gainful employment cannot exceed current salary for rank held at time of disability. Benefit is recomputed at age 55 using service retirement formula, updated final average salary, and service credit for period of disability.

Non-Service Connected Disability

- **Eligibility**
 - Seven or more years of service and under age 55. Disability must be permanent and preclude employee from performing the duties of their position.
- **Benefit**
 - 30% of final average salary plus 1% of final average salary for each year of service in excess of seven years. Maximum is 50% of final average salary.
- **Conditions**
 - Benefit plus earnings from gainful employment cannot exceed current salary for rank held at the time of disability.

Pre-Retirement Survivor Benefits Service-Connected Death

- **Eligibility**
 - When death results from performance of duty as a fire fighter or police officer, there is no minimum service requirement. Spouse and minor children of member at the time of death are eligible for a survivor's benefit.
- **Benefit**
 - 50% of final salary plus 10% of final salary for each minor child under age 18, to a maximum of 75% of final salary. If no surviving spouse, benefit is 20% of final salary for each child to a maximum of 60% of final salary; terminates when child reaches age 18.

Pre-Retirement Benefits Non-Service Connected Death

- **Eligibility:** Spouse and minor children of member at the time of death.
 - Plan A and Plan C-79: Three or more years of service.
 - Plan B: Twenty or more years of service.
- **Benefit**
 - Plan A and Plan C-79: 35% of final average salary plus 1% of final average salary for each year of service over three years to a maximum of 50% of final average salary, plus 10% of final average salary on account of each minor child under age 18 to a maximum of 66 2/3% of final average salary. If no surviving spouse, benefit is 15% of final average salary on account of each child to a maximum of 50% of final average salary; terminates when child reaches age 18.
 - Plan B: 50% of final salary.
- **Designated Beneficiary**
 - The beneficiary designated by an unmarried member or by a married member who fails to meet the service requirements for the surviving spouse benefit.
- **Benefit**
 - Member's accumulated contributions plus 5% annual interest, beginning January 1, 2000.

Post-Retirement Survivor Benefits

- **Eligibility**
 - Twenty or more years of service. If retired prior to January 1, 2000, surviving spouse must have been married to retired member at date of retirement. Effective January 1, 2000, surviving spouse must have been married to retired member for a minimum of 12 months at time of death.
- **Benefit**
 - Plan A and Plan C-79: 35% of final average salary plus 1% of final average salary for each year of service over three years to a maximum of 50% of final average salary, plus 10% of final average salary for each minor child under age 18 to a maximum of 66 2/3%. If no surviving spouse, 15% for each child to a maximum of 50%.
 - Plan B: 50% of final salary to surviving spouse or children under age 18.

Refund of Contributions

- **Eligibility**
 - Termination of employment without eligibility for any other benefit.
- **Amount**
 - Accumulated contributions at the time of termination plus 5% annual interest, beginning January 1, 2000.

Funeral Benefit

- **Eligibility**
 - Members who retired after November 21, 1973.
- **Amount**
 - \$750

Post-Retirement Adjustment of Pension Benefit

- **Eligibility**
 - Annually after completion of 36 months of retirement.
- **Amount**
 - 2% of base pension benefit (not compounded).

Employee Contributions

- Plan A: 8% of salary
- Plan B: 6% of salary
- Plan C-79: 7% of salary

Employer Contributions

- Actuarially determined amounts which, together with employee contributions and investment earnings, will fund the obligations of the System in accordance with accepted actuarial principles.

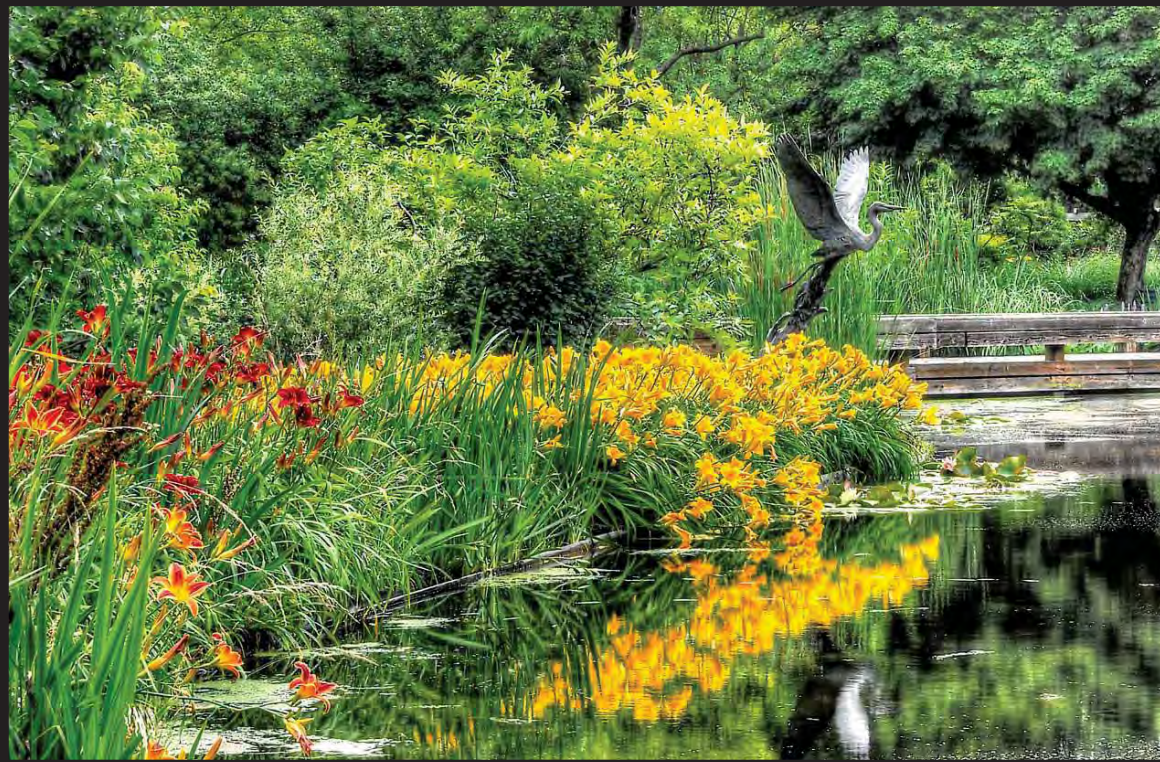
Unused Sick Leave

- Accumulated unused sick leave is converted to service credits for the purpose of computing annual benefits.

A more detailed description of Plan provisions is available upon request from the Pension Management Office.

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STATISTICAL SECTION



Statistical Section Overview

This section includes detailed schedules showing trends regarding changes in the net position, including deductions from the net position for benefits and refunds beginning on Page 78, average benefit payments beginning on Page 82, and retired members by type and benefit amount beginning on Page 84. These schedules may be considered useful in evaluating the condition of the Systems and understanding the information presented in the financial statements, note disclosures and required supplementary information.

The Schedule of Changes in Plan Net Position, including deductions from net assets for benefits and refunds, is derived from the Comprehensive Annual Financial Reports for the relevant fiscal year. All other information is derived from internal sources of the Systems, except for information that is derived from the actuarial valuations of the plans.

Changes in Fiduciary Net Position (Last Ten Fiscal Years)

Wichita Employees' Retirement System (continued on next page)

	2014	2013	2012	2011
ADDITIONS				
Employer contributions	\$ 8,464,927	\$ 7,990,502	\$ 6,471,423	\$ 6,596,124
Employee contributions	2,435,831	2,304,481	2,343,641	2,537,440
Net investment income (loss)	27,894,626	92,166,874	57,965,946	2,570,423
Reclassifications due to participant conversion ¹	2,942,734	2,465,600	2,025,607	2,680,431
Total additions	41,738,118	104,927,457	68,806,617	14,384,418
DEDUCTIONS				
Benefits				
Service retirement	30,632,053	29,346,178	28,490,161	25,279,476
Survivor benefit	2,956,020	2,762,399	2,658,630	2,591,380
DROP lump sum	2,798,396	2,650,766	1,327,860	5,873,920
Qualified domestic relations order	58,561	56,936	53,820	56,285
Disability (service)	59,753	57,193	67,910	67,247
Disability (non-service)	216,557	232,372	243,470	247,876
Funeral	57,349	267,956	93,770	66,890
Contribution refunds (separation)	400,433	570,712	341,634	449,266
Pension administration	441,869	404,514	396,167	444,630
Depreciation	63,888	63,890	62,562	63,016
Total deductions	37,684,879	36,412,916	33,735,984	35,139,986
Change in fiduciary net position	4,053,239	68,514,541	35,070,633	(20,755,568)
Net position – beginning	548,179,585	479,665,044	444,594,411	465,349,979
Net position – ending	\$552,232,824	\$548,179,585	\$479,665,044	\$444,594,411

¹ Reclassifications from Wichita Employees' Retirement Plan 3 as a result of full vesting option of converting to Plan 2.**Figure 75****Changes in Fiduciary Net Position (Last Ten Fiscal Years)**

Police and Fire Retirement System (continued on next page)

	2014	2013	2012	2011
ADDITIONS				
Employer contributions	\$ 14,464,181	\$ 14,889,714	\$ 14,113,014	\$ 13,806,880
Employee contributions	4,529,895	4,607,691	4,543,523	4,403,425
Net investment income (loss)	30,596,067	99,494,232	60,619,414	2,404,099
Total additions	49,590,143	118,991,637	79,275,951	20,614,404
DEDUCTIONS				
Benefits				
Service retirement	22,854,129	21,081,456	19,751,947	18,492,549
Survivor benefit	3,147,177	2,963,019	2,798,141	2,704,987
Backward DROP lump sum	7,903,252	5,202,861	3,245,820	2,877,779
Qualified domestic relations order	159,200	130,426	116,670	117,737
Disability (service)	1,794,729	1,701,928	1,816,648	1,835,512
Disability (non-service)	70,558	68,445	67,428	66,411
Funeral	28,688	9,871	11,425	21,371
Contribution refunds (separation)	457,423	402,003	357,192	636,120
Pension administration	478,320	401,901	396,424	445,898
Depreciation	63,887	63,890	62,562	63,016
Total deductions	36,957,363	32,025,800	28,624,257	27,261,380
Change in fiduciary net position	12,632,780	86,965,837	50,651,694	(6,646,976)
Net position – beginning	598,458,276	511,492,439	460,840,745	467,487,721
Net position – ending	\$611,091,056	\$598,458,276	\$511,492,439	\$460,840,745

Figure 76

Changes in Fiduciary Net Position (Last Ten Fiscal Years)
Wichita Employees' Retirement System (continued from previous page)

2010	2009	2008	2007	2006	2005
\$ 4,529,765	\$ 2,545,331	\$ 2,450,162	\$ 2,357,052	\$ 2,264,339	\$ 2,170,650
2,664,619	2,639,080	2,621,076	2,543,563	2,445,103	2,358,466
55,169,082	78,011,118	(150,525,640)	54,108,853	67,028,887	36,074,046
1,276,393	1,664,681	2,019,289	2,102,726	1,983,067	1,562,135
63,639,859	84,860,210	(143,435,113)	61,112,194	73,721,396	42,165,297
23,806,844	22,406,162	21,107,131	19,618,444	18,731,065	17,647,226
2,478,774	2,449,423	2,369,917	2,174,019	2,069,030	1,940,571
3,104,564	2,352,858	1,820,599	2,809,284	947,843	2,168,410
74,004	81,064	63,516	60,617	59,079	56,532
78,511	75,314	76,736	100,921	110,817	124,673
254,152	262,579	286,251	218,443	210,243	199,428
93,649	55,317	71,192	70,929	73,779	59,210
191,171	247,890	313,595	232,417	287,379	251,710
429,764	444,112	438,411	384,528	355,954	296,883
63,477	64,615	34,266	-	-	-
30,574,910	28,439,334	26,581,614	25,669,602	22,845,189	22,744,643
33,064,949	56,420,876	(170,016,727)	35,442,592	50,876,207	19,420,654
432,285,030	375,864,154	545,880,881	510,438,289	459,562,082	440,141,428
\$465,349,979	\$432,285,030	\$375,864,154	\$545,880,881	\$510,438,289	\$459,562,082

Figure 77

Changes in Fiduciary Net Position (Last Ten Fiscal Years)
Police and Fire Retirement System (continued from previous page)

2010	2009	2008	2007	2006	2005
\$ 13,119,984	\$ 11,034,552	\$ 10,549,401	\$ 10,029,253	\$ 9,849,536	\$ 7,308,916
4,467,983	4,443,524	4,277,247	4,056,022	3,789,743	3,652,348
54,963,698	75,500,370	(140,686,744)	49,134,414	59,897,041	31,745,327
72,551,665	90,978,446	(125,860,096)	63,219,689	73,536,320	42,706,591
17,657,512	16,313,729	15,124,453	14,767,792	14,350,119	13,820,287
2,569,695	2,367,563	2,293,653	2,175,191	2,080,107	2,007,215
4,296,127	3,444,839	2,013,670	873,050	641,517	977,977
115,432	93,762	80,179	72,056	64,614	66,348
1,745,289	1,557,901	1,459,306	1,476,513	1,558,438	1,414,202
65,394	64,377	63,359	62,342	69,970	68,801
16,618	14,891	18,351	15,578	18,655	51,950
492,380	295,424	493,516	254,190	384,672	313,219
421,251	438,348	418,165	366,637	354,904	315,068
63,477	64,615	34,266	-	-	-
27,443,175	24,655,449	21,998,918	20,063,349	19,522,996	19,035,067
45,108,490	66,322,997	(147,859,014)	43,156,340	54,013,324	23,671,524
422,379,231	356,056,234	503,915,248	460,758,908	406,745,584	383,074,060
\$467,487,721	\$422,379,231	\$356,056,234	\$503,915,248	\$460,758,908	\$406,745,584

Figure 78

Changes in Fiduciary Net Position (Last Ten Fiscal Years)
Wichita Employees' Retirement System Plan 3 (continued on next page)

	2014	2013	2012	2011
ADDITIONS				
Employer contributions	\$ 1,147,770	\$ 1,116,464	\$ 1,189,456	\$ 1,244,150
Employee contributions	1,147,770	1,116,240	1,189,456	1,244,150
Net investment income (loss)	1,104,224	3,655,978	2,315,117	170,531
Total additions	3,399,764	5,888,682	4,694,029	2,658,831
DEDUCTIONS				
Contribution refunds	1,107,222	1,010,244	959,751	709,739
Pension administration	64,686	73,351	72,742	76,217
Depreciation	54,768	54,763	53,625	54,017
Reclassifications due to participant conversion ¹	2,942,734	2,465,600	2,025,607	2,680,431
Total deductions	4,169,410	3,603,958	3,111,725	3,520,404
Change in fiduciary net position	(769,646)	2,284,724	1,582,304	(861,573)
Net position – beginning	21,926,537	19,641,813	18,059,509	18,921,082
Net position - ending	\$21,156,891	\$21,926,537	\$19,641,813	\$18,059,509

¹ Reclassifications from Wichita Employees' Retirement Plan 3 as a result of full vesting option of converting to Plan 2.

Figure 79

Changes in Fiduciary Net Position (Last Ten Fiscal Years)
Wichita Employees' Retirement System Plan 3 (continued from previous page)

2010	2009	2008	2007	2006	2005
\$ 2,298,753	\$ 1,478,256	\$ 1,494,079	\$ 1,428,686	\$ 1,369,009	\$ 1,281,156
1,349,100	1,478,256	1,494,079	1,428,686	1,369,009	1,281,156
2,124,997	2,608,965	(4,387,641)	1,542,383	1,876,517	978,703
-	-	-	-	-	-
5,772,850	5,565,477	(1,399,483)	4,399,755	4,614,535	3,541,-15
642,116	477,290	698,751	864,999	786,140	628,696
73,844	77,565	69,865	32,639	31,374	29,512
54,408	55,384	29,371	-	-	-
1,276,393	1,664,681	2,019,289	2,102,726	1,983,067	1,562,135
2,046,761	2,274,920	2,817,276	3,000,364	2,800,581	2,220,343
3,726,089	3,290,557	(4,216,759)	1,399,391	1,813,954	1,320,672
15,194,993	11,904,436	16,121,195	14,721,804	12,907,850	11,587,178
\$18,921,082	\$15,194,993	\$11,904,436	\$16,121,195	\$14,721,804	\$12,907,850

Figure 80

Average Benefit Payments (Last Ten Fiscal Years)
Wichita Employees' Retirement System (continued on next page)

	2014	2013	2012	2011
Average monthly pension				
0 - 5 Years of Service	\$ -	\$ -	\$ -	\$ -
5 - 10 Years of Service	665	1,164	980	554
10 - 15 Years of Service	950	1,278	921	994
15 - 20 Years of Service	1,624	1,621	2,026	1,655
20 - 25 Years of Service	1,957	1,992	2,492	1,853
25 - 30 Years of Service	2,230	2,433	2,477	2,435
30+ Years of Service	3,217	3,891	3,455	3,187
Average for All Years of Service	1,921	1,760	2,084	\$1,844
Average final average salary				
0 - 5 Years of Service	\$ -	\$ -	\$ -	\$ -
5 - 10 Years of Service	3,206	5,437	3,361	3,110
10 - 15 Years of Service	3,353	4,091	3,472	3,298
15 - 20 Years of Service	4,343	3,914	4,541	4,359
20 - 25 Years of Service	4,027	4,288	5,275	4,021
25 - 30 Years of Service	4,065	4,397	4,762	4,090
30+ Years of Service	4,495	5,388	5,125	4,703
Average for All Years of Service	\$4,026	\$4,409	\$4,460	\$3,995
Number of members retiring				
0 - 5 Years of Service	-	-	-	-
5 - 10 Years of Service	11	8	2	11
10 - 15 Years of Service	10	17	6	21
15 - 20 Years of Service	19	12	5	23
20 - 25 Years of Service	14	6	4	31
25 - 30 Years of Service	9	7	6	18
30+ Years of Service	20	4	4	19
Total for All Years of Service	83	54	27	123

Figure 81

Average Benefit Payments (Last Ten Fiscal Years)
Police and Fire Retirement System (continued on next page)

	2014	2013	2012	2011
Average monthly pension				
0 - 5 Years of Service	\$ 3,710	\$ -	\$ -	\$ -
5 - 10 Years of Service	-	3,371	-	-
10 - 15 Years of Service	1,867	2,254	2,344	2,381
15 - 20 Years of Service	1,993	3,930	3,929	3,784
20 - 25 Years of Service	2,971	3,037	3,691	2,983
25 - 30 Years of Service	4,212	4,138	-	4,064
30+ Years of Service	4,870	4,790	-	4,847
Average for All Years of Service	\$3,984	\$3,697	\$3,281	\$3,349
Average final average salary				
0 - 5 Years of Service	\$ 4,890	\$ -	\$ -	\$ -
5 - 10 Years of Service	-	4,262	-	-
10 - 15 Years of Service	5,150	4,065	3,838	3,980
15 - 20 Years of Service	4,842	4,961	5,120	4,970
20 - 25 Years of Service	5,132	4,936	5,652	4,704
25 - 30 Years of Service	5,698	5,696	-	5,810
30+ Years of Service	6,192	6,387	-	6,463
Average for All Years of Service	\$ 5,671	\$ 5,337	\$ 4,959	\$ 4,997
Number of members retiring				
0 - 5 Years of Service	1	-	-	-
5 - 10 Years of Service	0	1	-	-
10 - 15 Years of Service	1	3	2	2
15 - 20 Years of Service	1	1	1	2
20 - 25 Years of Service	13	10	3	9
25 - 30 Years of Service	11	20	-	4
30+ Years of Service	17	2	-	1
Total for All Years of Service	44	37	6	18

Figure 82

Average Benefit Payments (Last Ten Fiscal Years)
Wichita Employees' Retirement System (continued from previous page)

2010	2009	2008	2007	2006	2005
\$ 290	\$ -	\$ -	\$ -	\$ -	\$ -
-	593	528	554	436	532
2,852	1,158	821	894	692	712
-	1,482	1,547	1,180	1,129	1,288
2,745	2,173	2,250	1,895	2,038	1,567
3,646	2,870	3,137	3,015	3,342	3,251
1,993	2,758	3,760	3,443	2,265	2,460
\$ 2,928	\$ 2,084	\$ 2,420	\$2,199	\$ 2,342	\$ 2,270
\$ 2,956	\$ -	\$ -	\$ -	\$ -	\$ -
-	2,962	2,660	4,493	2,538	2,532
5,058	3,904	3,089	3,414	2,708	2,692
-	3,451	3,901	3,239	2,932	3,399
5,100	4,192	4,133	3,432	3,720	3,545
5,134	4,225	4,371	4,215	4,520	4,465
4,269	4,008	5,005	4,591	3,020	3,818
\$ 4,839	\$ 3,929	\$ 4,094	\$ 3,861	\$ 3,830	\$ 3,864
1	-	-	-	-	-
-	6	4	2	5	5
2	10	16	9	4	1
-	5	9	7	5	11
2	5	6	9	9	6
7	23	25	29	25	25
2	4	18	1	1	4
14	53	78	57	49	52

Figure 83

Average Benefit Payments (Last Ten Fiscal Years)
Police and Fire Retirement System (continued from previous page)

2009	2009	2008	2007	2006	2005
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3,016	3,016	-	-	4,549	2,629
2,237	2,237	2,539	-	2,249	3,277
3,834	3,834	-	-	3,393	-
2,808	2,808	2,489	2,436	2,346	2,306
3,964	3,964	3,989	3,635	3,410	3,184
4,034	4,034	4,308	3,400	3,462	4,484
\$3,180	\$3,180	\$ 3,351	\$ 3,132	\$ 3,092	\$ 3,249
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3,341	3,341	-	-	4,221	2,919
5,074	5,074	4,536	-	4,559	3,912
4,893	4,893	-	-	3,023	-
4,771	4,771	4,615	3,992	3,774	3,979
5,426	5,426	5,488	5,030	4,872	4,467
5,378	5,378	5,744	4,534	4,793	5,118
\$ 4,943	\$ 4,943	\$ 5,113	\$ 4,565	\$ 4,515	\$ 4,391
-	-	-	-	-	-
2	2	-	-	1	1
4	4	2	-	4	1
1	1	-	-	1	-
12	12	7	8	5	4
9	9	9	10	11	9
1	1	2	2	5	4
29	29	20	20	27	19

Figure 84

Retired Members by Type and Benefit Amount**Wichita Employees' Retirement System**

(as of December 31, 2014)

Amount of Monthly Benefit	Active in DROP	Non- Service Disability	QDRO¹	Service	Service Disability	Survivor	Total
\$ 0-500	0	2	2	65	0	74	143
500-1000	8	8	2	141	1	72	232
1000-1500	4	5	1	132	0	61	203
1500-2000	6	0	0	153	3	35	197
2000-2500	8	2	1	106	0	11	128
2500-3000	8	0	0	107	0	4	119
3000-3500	9	0	0	112	0	2	123
3500-4000	3	0	0	71	0	0	74
4000-4500	5	0	0	67	0	0	72
4500-5000	3	0	0	36	0	0	39
>5000	0	0	0	65	0	0	65
Total	54	17	6	1,055	4	259	1,395

¹ Qualified Domestic Relations Order

Figure 85

Retired Members by Type and Benefit Amount**Police and Fire Retirement System**

(as of December 31, 2014)

Amount of Monthly Benefit	Non- Service Disability	QDRO¹	Recalc. Service Disability	Service	Service Disability	Survivor	Total
\$ 0-500	0	2	0	5	0	4	11
500-1000	2	8	0	21	4	39	74
1000-1500	4	5	1	63	0	41	114
1500-2000	0	1	3	130	0	43	177
2000-2500	0	0	2	131	0	32	165
2500-3000	0	0	7	95	9	9	120
3000-3500	0	0	6	79	13	1	99
3500-4000	0	0	19	68	16	1	104
4000-4500	0	0	7	44	5	1	57
4500-5000	0	0	3	27	1	0	31
>5000	0	0	2	17	0	0	19
Total	6	16	50	680	48	171	971

¹ Qualified Domestic Relations Order

Figure 86

Department of Finance
City Treasurer's Division • Pension Management
City Hall • 12th Floor • 455 N. Main • Wichita, Kansas 67202
T 316.268.4544 • **F** 316.268.4656

Second Reading Ordinances for October 27th (First read October 20th)

- a) *SUB2015-00015 -- Plat of Scholfield Honda Commercial 2nd Addition Located East of Woodlawn, on the South Side of Kellogg. (District II)

ORDINANCE NO. 50-099

- b) *ZON2015-00032 – City Zone Change from Single-Family Residential to Two-Family Residential on Property Generally Located Midway Between Harry Street and Pawnee Avenue, East of Sheridan Avenue, on the North Side of May Street. (District IV)

ORDINANCE NO. 50-100

- c) * ZON2015-00033 – City Zone Change from Single-Family Residential to Two-Family Residential on Property Generally Located South of Central Avenue on the Southeast Corner of Hoover Avenue and Newell Street. (District VI)

ORDINANCE NO. 50-101

- d) *ZON2015-00034 – City Zone Change from Limited Commercial to Central Business District on Property Generally Located West of McLean Boulevard, East of Oak Street, on the South Side of Douglas Avenue. (District IV)

ORDINANCE NO. 50-102

**City of Wichita
City Council Meeting
October 27, 2015**

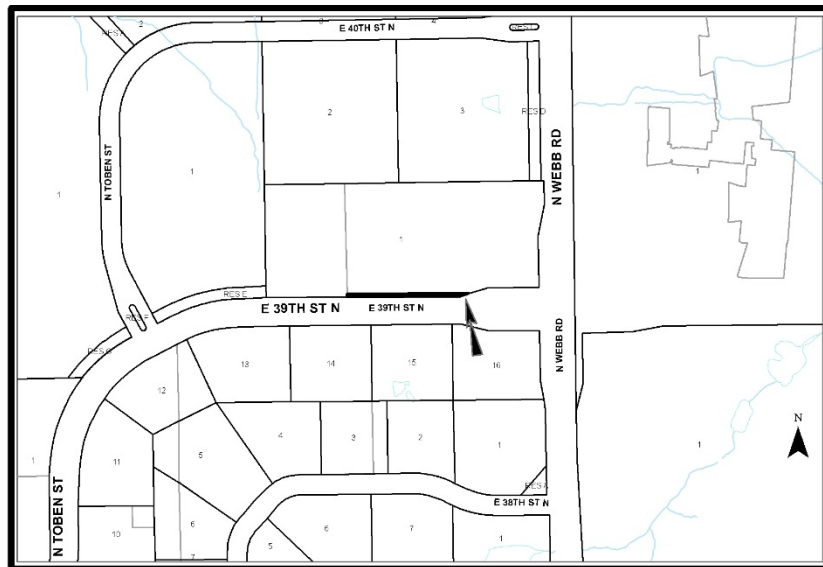
TO: Mayor and City Council

SUBJECT: DED2015-00011 Dedication of Street-of-Way Located on the Northwest Corner of 39th Street North and Webb Road (District II)

INITIATED BY: Metropolitan Area Planning Department

AGENDA: Planning (Consent)

Staff Recommendation: Approve the Dedication.



Background: The Dedication is associated with Lot Split Case No. LSP2015-00025 (Toben 3rd Addition) and has been requested by the City of Wichita Traffic Engineer.

Analysis: The Dedication DED2015-000011 is for street right-of-way purposes along 39th Street North.

Financial Considerations: There are no financial considerations associated with the Dedication.

Legal Considerations: The Law Department has approved the Dedication as to form and the document will be recorded with the Register of Deeds.

Recommendations/Actions: It is recommended that the City Council accept the Dedication.

Attachment(s): Dedication of Right-of-Way.

City of Wichita
City Council Meeting
October 27, 2015

TO: Mayor and City Council

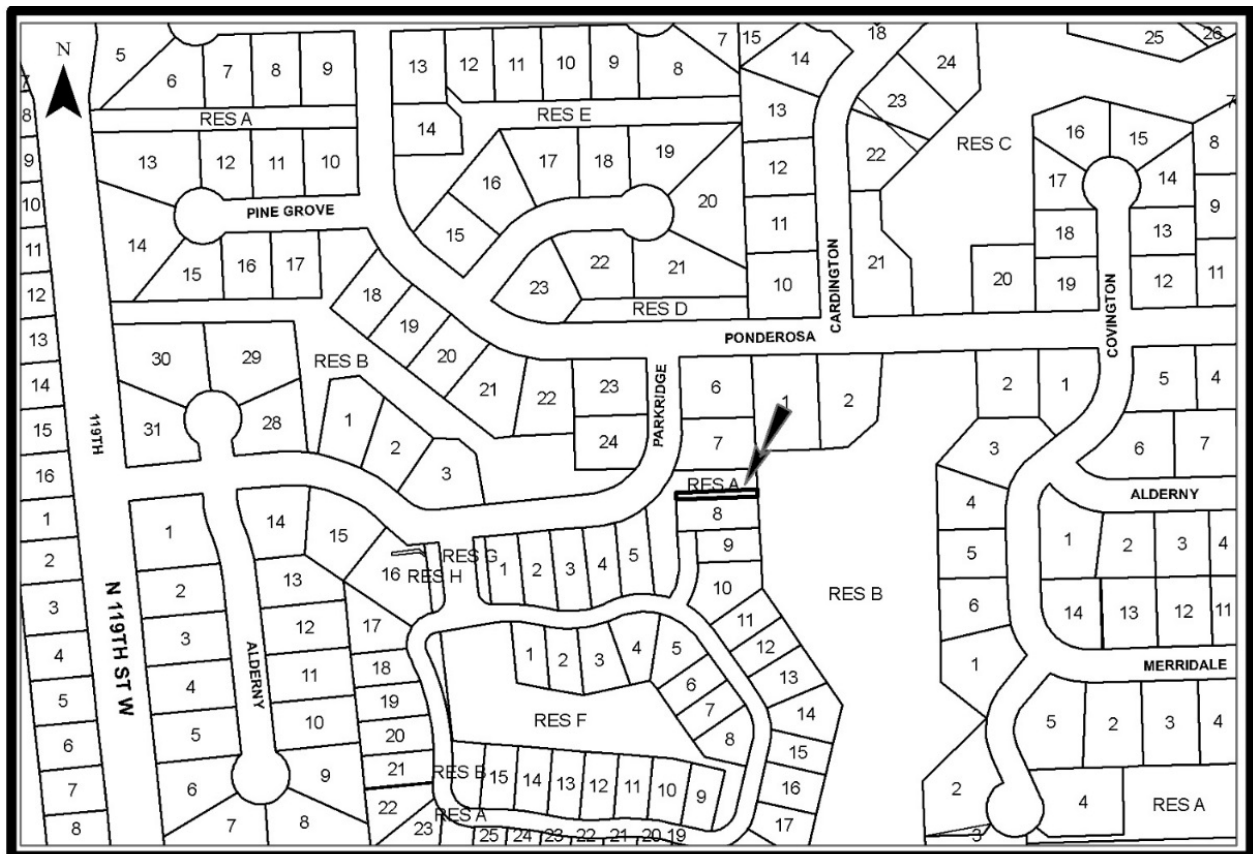
SUBJECT: VAC2015-00015 - Request to Vacate a Portion of a Platted Reserve and the Platter's Text on Property Generally Located Southeast of 13th Street North and 119th Street West, South of Pine Grove Street, on the East Side of Alderny Court (District V)

INITIATED BY: Metropolitan Area Planning Department

AGENDA: Planning (Consent)

Staff Recommendation: Staff recommends approval of the vacation request.

MAPC Recommendation: The Metropolitan Area Planning Commission recommends approval of the vacation request (11-0).



Background: The applicant is requesting that the south 12 feet (x) 145 feet of the SF-5 Single Family Residential (SF-5) zoned Reserve A that abuts the north property line of the of the SF-5 zoned Lot 8, Block 1, all in the Briarwood Estates 4th Addition be vacated. The applicant is also requesting that the platlor's text be vacated to amend the uses permitted in the described portion of the platted reserve. The platlor's text of the Briarwood Estates 4th Addition states that the described portion of Reserve A is restricted to the following uses; drainage, utilities, landscaping, private access, and recreational facilities. The vacation will also allow single-family residential uses in the vacated portion of the reserve. The platlor's text also states that Reserve A is to be maintained and owned by the Home Owners' Association (HOA). The Thickets' HOA has provided a letter signed by representatives of the HOA and the applicant transferring the described vacated portion of the reserve to the applicant upon completion of VAC2015-00015. There are no utilities located in the described portion of the reserve. The vacation will remove encroachments from the applicant's property into the platted reserve. The Briarwood Estates 4th Addition was recorded with the Register of Deeds June 6, 1984.

Analysis: The Metropolitan Area Planning Commission (MAPC) voted (11-0) to approve the vacation request. No one spoke in opposition to this request at the MAPC's advertised public hearing or its Subdivision Committee meeting. No written protests have been filed.

Financial Considerations: All improvements are to City standards and at the applicant's expense.

Legal Considerations: The Law Department has reviewed and approved, as to form, the Vacation Order and a covenant binding and tying the described portion of the reserve to the applicant's property. The original Vacation Order and the covenant will be recorded with the Register of Deeds.

Recommendation/Actions: It is recommended that the City Council follow the recommendation of the Metropolitan Area Planning Commission and approve the Vacation Order (simple majority of four votes required) and authorize the necessary signatures.

Attachments:

- Vacation Order
- A covenant binding and tying the described portion of the reserve to the applicant's property

**BEFORE THE CITY COUNCIL OF THE
CITY OF WICHITA, SEDGWICK COUNTY, KANSAS**

IN THE MATTER OF THE VACATION OF A)	
PORTION OF A PLATTED RESERVE AND THE)	
VACATION OF THE PLATTOR'S TEXT TO AMEND)	
THE USES ALLOWED IN THE PLATTED RESERVE)	
)	
)	
GENERALLY LOCATED SOUTHEAST OF 13TH STREET)	VAC2015-00015
NORTH & 119TH STREET WEST, SOUTH OF PINE)	
GROVE STREET, ON THE EAST SIDE OF ALDERNY)	
COURT)	
)	
<u>MORE FULLY DESCRIBED BELOW</u>)	

VACATION ORDER

NOW on this 27TH day of October, 2015, comes on for hearing the petition for vacation filed by the Ragene F. Weatherson, Revocable Trust, c/o Ragene Weatherson Moore, Trustee (applicant) and the Thickets Homeowners Association, c/o Bev Bennett, President and Charlene Baalman, Secretary (owner), praying for the vacation of the following described portion of a platted reserve and the plattor's text, to-wit:

That part of Reserve "A", Briarwood Estates 4th Addition to Wichita, Sedgwick County, Kansas, Described as beginning at the N.E. Corner of Lot 8, Block 1, in said Addition; thence N03°58'59"W, along the West line of said Reserve "A", 12 feet; thence S86°01'01"W, parallel with the North line of said Lot 8, 145 feet; thence S03°58'59"E, 12 feet to the N.W. Corner of said Lot 8; thence N86°01'01"E, along the North line of said Lot 8, 145 feet to the Point of Beginning.

&

Vacating the plattor's text to amend the uses allowed on the above described vacated portion of the platted reserve to allow: drainage, utilities, landscaping, private access, and those uses permitted by right in the SF-5 Single-Family Residential ("SF-5") zoning district and single-family residential structures.

The City Council, after being duly and fully informed as to fully understand the true nature of this petition and the propriety of granting the same, makes the following findings:

1. That due and legal notice has been given by publication, as required by law, in The Wichita Eagle on May 14, 2015, which was at least 20 days prior to the public hearing.

2. No private rights will be injured or endangered by the vacation of the described portion of the platted reserve and the plattor's text and the public will suffer no loss or inconvenience thereby.

3. A covenant binding and tying the described vacated portion of the platted Reserve A to Lot 8, Block 1, all in the Briarwood Estates 4th Addition will go with this Vacation Order to the Sedgwick County Register of Deeds for recording. Said covenant will also go to the Sedgwick County Appraiser's Office for recording.

4. In justice to the petitioner(s), the prayer of the petition ought to be granted.

5. No written objection to said vacation has been filed with the City Clerk by any owner or adjoining owner who would be a proper party to the petition.

6. The vacation of the described portion of the platted reserve and the plattor's text, should be approved.

IT IS, THEREFORE, BY THE CITY COUNCIL, on this 27TH day of October, 2015, ordered that the above-described portion of the platted reserve and the plattor's text are hereby vacated. IT IS FURTHER ORDERED that the City Clerk shall send this original Vacation Order to the Register of Deeds of Sedgwick County.

Jeff Longwell, Mayor

ATTEST:

Karen Sublett, City Clerk

Approved as to Form:

Jennifer Magana, City Attorney and Director of Law

COVENANT

KNOW ALL MEN BY THESE PRESENTS THAT THE UNDERSIGNED, Ragene F. Weatherson, Trustee of the Ragene F. Weatherson Revocable Trust, under agreement dated June 11, 1996, is the owner of the following described real estate, to-wit:

Lot 8, Block 1, Briarwood Estates 4th Addition to Wichita, Sedgwick County, Kansas

NOW THEREFORE, in consideration of receiving approval from the appropriate government authorities of vacated (vacation case VAC2015-00015) that part of Reserve "A", Briarwood Estates 4th Addition to Wichita, Sedgwick County, Kansas, Described as beginning at the N.E. Corner of Lot 8, Block 1, in said Addition; thence N03°58'59"W, along the East line of said Reserve "A", 12 feet; thence S86°01'01"W, parallel with the North line of said Lot 8, 145 feet; thence S03°58'59"E, 12 feet to the N.W. Corner of said Lot 8; thence N86°01'01"E, along the North line of said Lot 8, 145 feet to the Point of Beginning., as created by vacation case VAC2015-00015, the undersigned agrees and covenants that the above described portion of the vacated Reserve A, Briarwood Estates 4th Addition reverts back to and becomes a part Lot 8, Block 1, Briarwood Estates 4th Addition to Wichita, Sedgwick County, Kansas, shall be retained, held and bound together.

It is also understood that this covenant, a condition of approval for vacation case VAC20115-00015, shall be binding upon the undersigned, his successors and assigns, and shall run with the land until such time as the said property is divided or platted into a different configuration.

Ragene F. Weatherson Revocable Trust, under agreement dated June 11, 1996

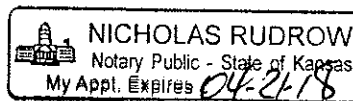
Ragene F. Weatherson Trustee
Ragene F. Weatherson

STATE OF KANSAS)
) SS
SEDGWICK COUNTY)

The foregoing instrument acknowledged before me this 23rd day of JUNE, 2015, by Ragene F. Weatherson, Trustee of the Ragene F. Weatherson Revocable Trust, under agreement dated June 11, 1996, who is personally known to me to be the same person who executed the foregoing instrument of writing on behalf of the Trust.

My Appointment Expires: 04-21-18

Nicholas Rudrow Notary Public



City of Wichita
City Council Meeting
October 27, 2015

TO: Mayor and City Council

SUBJECT: A15-05 - Request by USD 261 to Annex Lands Generally Located One-Half Mile South of MacArthur Road and on the West Side of Hoover Road (District IV)

INITIATED BY: Metropolitan Area Planning Department

AGENDA: Planning (Consent)

Recommendation: Approve the annexation request and place the ordinance on first reading.

Background: The City has received a request to annex approximately 1.91 acres of land generally located one-half mile south of MacArthur Road on the west side of Hoover Road. The annexation area is bordered by property located within the City of Wichita's incorporated area on two sides.

Analysis:

Land Use and Zoning: The annexation area consists of approximately 1.91 acres zoned "SF-20" Single-Family Residential and is undeveloped. The applicant has proposed to plat the property as a portion of the Oatville Elementary Addition. The plat was scheduled to be considered by the Wichita-Sedgwick County Metropolitan Area Planning Commission on October 15, 2015, at the time this report was prepared. The adjacent properties to the north and east are zoned "SF-5" Single Family Residential and are undeveloped. The adjacent properties to the south and west are zoned "SF-20" Single Family Residential and are used for agriculture.

Public Services: Water service is available to serve the site. The Oatville Elementary Addition will require the applicant to pay in-lieu-of-assessment fees for water service. Sanitary sewer service is not currently available to serve the site. The Oatville Elementary Addition will require the applicant to not protest any future petition for the extension of sanitary sewer service.

Street System: The annexation area has access to Hoover Road through the remainder of the property being platted as the Oatville Elementary Addition. Hoover Road is a two-lane arterial street. The Oatville Elementary Addition will permit one access drive to Hoover Road.

Public Safety: Fire protection is currently provided to the area on the basis of a first-responder agreement between the City and County, and that service will continue following annexation. The nearest City station is Fire Station No. 12 at 3443 S. Meridian. Upon annexation, police protection will be provided to the area by the Patrol South Bureau of the Wichita Police Department, headquartered at 211 E. Pawnee.

Parks: The nearest park is Alice Wall Memorial Park located approximately one-half mile east of the subject property. Alice Wall Memorial Park is developed with a playground and walking path. The Parks, Recreation, and Open Space Plan recommends a future pathway along the west edge of the subject property.

School District: The annexation property is part of Unified School District 261 (Haysville School District). Annexation will not change the school district.

Comprehensive Plan: The proposed annexation is consistent with the Wichita-Sedgwick County Comprehensive Plan. The annexation property falls within the Wichita 2030 Urban Growth Area as shown in the Plan.

Financial Considerations: The current approximate appraised value of the proposed annexation lands, according to County records, is \$100 with a total assessed value of \$30. Using the current City levy (\$32.652/\$1000 x assessed valuation), this property would yield approximately \$1 in City annual property tax revenues upon annexation. The future assessed value of this property will depend on the type and timing of any other developments on the proposed annexation property and the current mill levy. At this time, the property owner does not anticipate developing the site, which would result in future annual City property tax revenues likely remaining unchanged.

Legal Considerations: The property is eligible for annexation under K.S.A. 12-517, *et seq.* The annexation ordinance has been reviewed by the Law Department and approved as to form.

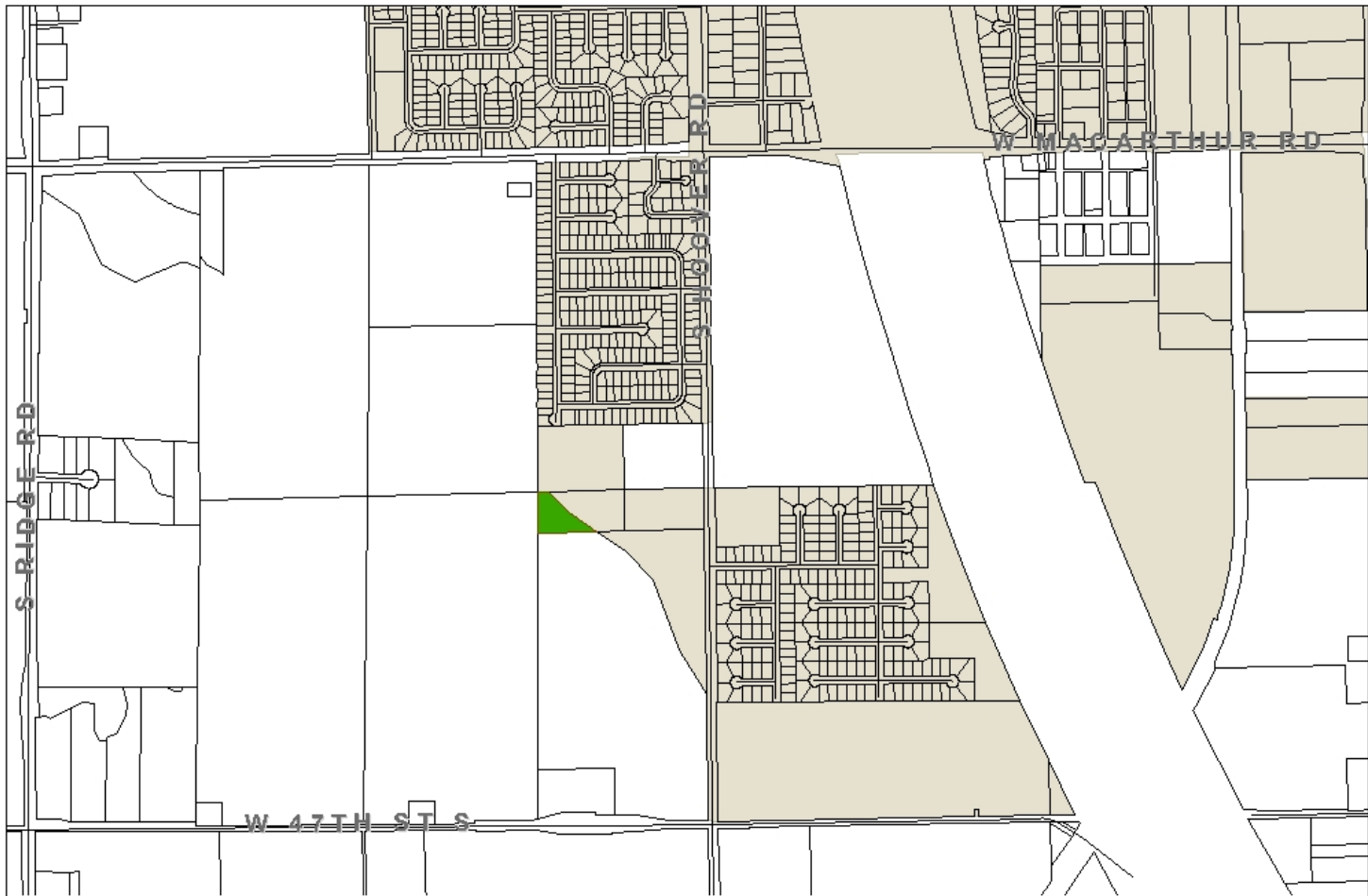
Recommendations/Actions: It is recommended that the City Council approve the annexation request, place the ordinance on first reading, authorize the necessary signatures and instruct the City Clerk to publish the ordinance after approval on second reading.

Attachments: Map Sheet
Ordinance

An ordinance including and incorporating certain blocks, parcels, pieces, and tracts of land within the limits and boundaries of the City of Wichita, Kansas, and relating thereto.

General Location: Generally located one-half mile south of MacArthur Road on the west side of Hoover Road

Address: n/a		Reason(s) for Annexation:	
1.91	Area in Acres	X	Request
0	Existing population (est.)		Unilateral
0	Existing dwelling units		Island
0	Existing industrial/commercial units		Other:
Existing zoning:		"SF-20" Single Family Residential	



- ANNEXATION AREA
- WICHITA
- UNINCORPORATED



Self-made, ArcGIS
Map Data Sources:
City of Wichita
Sedgwick County
Prepared: 20109
I understand that while the City of Wichita Data Center Geographical Information Systems Department have no indication and reason to believe that there are inaccurate or information incorporated in the base map, the Data Center-GIS personnel make no warranty or representation, either expressed or implied, with regard to the information or data displayed.
Note: Public property represented on this map is not intended to be exclusive.

PUBLISHED IN THE WICHITA EAGLE ON November 13, 2015

ORDINANCE NO. 50-103

AN ORDINANCE INCLUDING AND INCORPORATING CERTAIN BLOCKS, PARCELS, PIECES AND TRACTS OF LAND WITHIN THE LIMITS AND BOUNDARIES OF THE CITY OF WICHITA, KANSAS. (A15-05)

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS:

SECTION 1. The governing body, under the authority of K.S.A. 12-517, et seq, hereby annexes the following blocks, parcels, pieces and tracts of land and they are hereby included and brought within the corporate limits of the City of Wichita, Kansas and designated as being part of City Council District IV:

The West five acres of the North ten acres of the East Half of the Southeast Quarter of Section 15, Township 28 South, Range 1 West of the Sixth Principal Meridian, Sedgwick County, Kansas, being more particularly described as follows:

BEGINNING at the Northwest corner of the East Half of said Southeast Quarter; thence South with an assumed bearing of South 0°25'33" West, on the West line of said East Half a distance of 322.05 feet; thence North 89°26'02" East, parallel with the North line of said Southeast Quarter, a distance of 676.85 feet; thence North 0°12'47" East, a distance of 322.03 feet to the intersection with the North line of said Southeast Quarter; thence South 89°26'02" West, on said North line, a distance of 675.65 feet to the POINT OF BEGINNING, EXCEPT that part of said Southeast Quarter previously annexed by Ordinance 4-332 A 02-10, dated June 8, 2002 described below:

That part of the E ½ of the SE ¼ of Sec. 15, Twp. 28-S,R-1-W of the 6th P.M., Sedgwick County, Kansas described as follows: Beginning at the NE corner of said SE ¼; thence westerly along the north line of said SE ¼, 1273.00 feet; thence southeasterly with a deflection angle to the left of 134°00'52", 237.00 feet; thence southeasterly with a deflection angle to the left of 12°14'30", 533.00 feet; thence southeasterly with a deflection angle to the right of 12°58'00", 315.00 feet; thence southeasterly with a deflection angle to the right of 22°30'00", 595.00 feet; thence southeasterly with a deflection angle to the left of 06°01'00", 478.64 feet, more or less, to a point on the east line of said SE ¼; thence northerly along the east line of said SE ¼, 1680.52 feet, more or less, to the point of beginning, EXCEPT that part designated as Hoover Road (55th Street West).

SECTION 2. That if any part or portion of this ordinance shall be held or determined to be illegal, ultra vires or void the same shall not be held or construed to alter, change or annul any terms or provisions hereof which may be legal or lawful. And in the event this ordinance in its entirety shall be held to be ultra vires, illegal or void, then in such event the boundaries and limits of said City shall be held to be those heretofore established by law.

SECTION 3. That the City Attorney is hereby instructed at the proper time to draw a resolution redefining the boundaries and limits of the City of Wichita, Kansas, under and pursuant to K.S.A. 12-517, et seq.

SECTION 4. This ordinance shall become effective and be in force from and after its adoption and publication once in the official city paper.

ADOPTED at Wichita, Kansas, this November 10, 2015.

Jeff Longwell, Mayor

ATTEST:

Karen Sublett, City Clerk

Approved as to form:

Jennifer Magana, City Attorney &
Director of Law

**CITY OF WICHITA
City Council Meeting
October 27, 2015**

TO: Wichita Airport Authority

SUBJECT: Sale of Right-of-Way to Sedgwick County for the Improvement of 45th Street North
Colonel James Jabara Airport

INITIATED BY: Wichita Airport Authority

AGENDA: Consent

Recommendation: Approve the real estate purchase agreement.

Background: Sedgwick County has a project to improve 45th Street North between Webb Road and Greenwich Road. The project requires right-of-way from several parcels owned by the Wichita Airport Authority (WAA) as part of Colonel James Jabara Airport. The impacted land is undeveloped and is not needed for future airport development. Any land released by the WAA must be approved by the Federal Aviation Authority (FAA). The approval process can be quite time consuming. Since the road project was scheduled for construction to begin in the spring of 2014, on March 18, 2014, the WAA approved granting Sedgwick County a right of entry to construct the project while FAA approval was pending.

Analysis: FAA approval has been received allowing WAA and Sedgwick County to consummate the release of the required right-of-way. The project requires 6.577 acres for road right-of-way. The right-of-way, following FAA regulations, was appraised at \$124,980. The FAA has approved this amount as just compensation for the land being sold.

Financial Considerations: Once the contracts are finalized and the land transferred, the sale proceeds of \$124,980 will be deposited in the Airport fund.

Legal Considerations: The Law Department has reviewed and approved the real estate agreement as to form.

Recommendation/Action: It is recommended that the Wichita Airport Authority approve the real estate purchase agreement and authorize all necessary signatures.

Attachment: Real estate purchase agreement, FAA Approval, and Deed of Release

C-735-UP
C-736-UP
C-737-UP

REAL ESTATE PURCHASE CONTRACT

THIS AGREEMENT made and entered into this _____ day of _____, 2015, by and between **Sedgwick County, Kansas**, party of the First Part, hereinafter referred to as "Buyer" and **Wichita Airport Authority**, party of the Second Part, hereinafter referred to as "Seller."

WITNESSETH: That for and in consideration of the mutual promises, covenants and payments hereinafter set out, the parties contract with each other, as follows:

1. Seller agrees to sell and convey to Buyer by a good and sufficient quit-claim deed the following described real property situated in Sedgwick County, Kansas to-wit:

Parcel C-737-UP

A portion of the Northwest Quarter of Section 28, Township 26 South, Range 2 East of the 6th Principal Meridian, Sedgwick County, Kansas, more particularly described as follows:

Commencing at the Northwest corner of the Northwest Quarter of Section 28, Township 26 South, Range 2 East of the 6th Principal Meridian; thence on a bearing based in the Kansas Coordinate System of 1983, North 89°11'56" East along the North line of said Northwest Quarter 60.00 feet; thence South 01°11'42" East 25.00 feet to a point which is South 25.00 feet from the North line of said Northwest Quarter and East 60.00 feet from the West line of said Northwest Quarter for the Point of Beginning; thence North 89°11'56" East parallel with the North line of said Northwest Quarter 1,438.43 feet to the East line of that certain parcel conveyed by Deed recorded in Film 2829 at Page 806, records of Sedgwick County; thence South 06°02'59" West along said East line 40.29 feet; thence South 89°11'56" West 1,383.35 feet; thence South 01°11'42" East parallel with the West line of said Northwest Quarter 50.00 feet; thence South 89°11'56" West 50.00 feet to a point lying 60.00 feet East of the West line of said Northwest Quarter; thence North 01°11'42" West 90.00 feet to the Point of Beginning containing **1.376 Acres** subject to any easements of record with all mineral rights staying with Col. James Jabara Airport.

AND

Parcel C-736-UP

A portion of the Northwest Quarter of Section 28, Township 26 South, Range 2 East of the 6th Principal Meridian, Sedgwick County, Kansas, more particularly described as follows:

Commencing at the Northwest corner of the Northwest Quarter of Section 28, Township 26 South, Range 2 East of the 6th Principal Meridian; thence on a bearing based in the Kansas Coordinate System of 1983, North 89°11'56" East along the North line of said Northwest Quarter 1,501.61 feet; thence South 06°02'59" West 25.18 feet to a point lying on the West line of that certain parcel conveyed by Deed recorded in Film 2829 at Page 807, records of Sedgwick County, said point lying South 25.00 feet from the North line of said Northwest Quarter, said point also being the Point of Beginning; thence North 89°11'56" East 1,170.30 feet to a point on the East line of said Northwest Quarter; thence South 00°42'09" East along said East line 40.00

feet to a point lying South 65.00 from the North line of said Northwest Quarter; thence South 89°11'56" West 278.90 feet; thence South 00°48'04" East 50.00 feet to a point lying South 115.00 feet from the North line of said Northwest Quarter; thence South 89°11'56" West 100.00 feet; thence North 00°48'04" West 50.00 feet; thence South 89°11'56" West 796.14 feet to a point on the West line of said certain parcel; thence North 06°02'59" East along said West line 40.29 feet to the Point of Beginning containing **1.192 Acres** subject to any easements of record with all mineral rights staying with Col. James Jabara Airport.

AND

Parcel C-735-UP

A portion of the Northeast Quarter of Section 28, Township 26 South, Range 2 East of the 6th Principal Meridian, Sedgwick County, Kansas, more particularly described as follows:

Commencing at the Northwest corner of the Northeast Quarter of Section 28, Township 26 South, Range 2 East of the 6th Principal Meridian; thence on a bearing based in the Kansas Coordinate System of 1983, South 00°42'09" East along the West line of said Northeast Quarter 25.00 feet for the Point of Beginning; thence North 89°01'49" East parallel with the North line of said Northeast Quarter 592.20 feet to a point on the East line of that certain parcel conveyed by Deed recorded in Film 2745 at Page 48, records of Sedgwick County; thence South 06°02'44" West along said East line 40.30 feet to a point lying South 65.00 feet from the North line of said Northeast Quarter; thence South 89°01'49" West 170.04 feet; thence South 04°29'10" East 50.09 feet to a point lying 115.00 feet South of the North line of said Northeast Quarter; thence South 89°01'49" West 100.19 feet; thence North 04°29'10" West 50.09 feet; thence South 89°01'49" West 317.24 feet to the West line of said Northeast Quarter; thence North 00°42'09" West 40.00 feet to the Point of Beginning containing **0.657 Acre** subject to any easements of record with all mineral rights staying with Col. James Jabara Airport.

AND

Parcel 13

A portion of the Southeast Quarter of Section 21, Township 26 South, Range 2 East of the 6th Principal Meridian, Sedgwick County, Kansas, more particularly described as follows:

Commencing at the Southwest corner of the Southeast Quarter of Section 21, Township 26 South, Range 2 East of the 6th Principal Meridian; thence on a bearing based in the Kansas Coordinate System of 1983, North 01°58'32" West along the West line of said Southeast Quarter 25.01 feet; to a point lying North 25.00 feet from the South line of said Southeast Quarter for the Point of Beginning; thence continuing North 01°58'32" West 40.01 feet to a point lying 65.00 feet North of the South line of said Southeast Quarter; thence North 89°01'49" East parallel with the South line of said Southeast Quarter 310.10 feet; thence North 04°29'10" West 50.09 feet to a point lying North 115.00 feet from the South line of said Southeast Quarter; thence North 89°01'49" East 100.19 feet; thence South 04°29'10" East 50.09 feet; thence North 89°01'49" East 349.83 feet to the East line of that certain parcel conveyed by Deed recorded in Doc. No. 28905664, records of Sedgwick County; thence South 01°58'32" East 40.01 feet to a point lying 25.00 feet North of the South line of said Southeast Quarter; thence South 89°01'49" West 760.12 feet to the Point of Beginning containing **0.813 acre** subject to any easements of record with all mineral rights staying with Col. James Jabara Airport.

AND

Parcel 15a

A portion of the South Half of the Southwest Quarter of Section 21, Township 26 South, Range 2 East of the 6th Principal Meridian, Sedgwick County, Kansas, more particularly described as follows:

Commencing at the Southwest corner of the Southwest Quarter of Section 21, Township 26 south, Range 2 East of the 6th Principal Meridian; thence on a bearing based in the Kansas Coordinate System of 1983 North 89°11'56" East along the South line of said Southwest Quarter 60.00 feet; thence North 01°20'30" West parallel with the West line of said Southwest Quarter 25.00 feet to a point lying North 25.00 feet from the South line of said Southwest Quarter and East 60.00 feet from the West line of said Southwest Quarter for the Point of Beginning; thence continuing North 01°20'30" West 90.00 feet to a point lying North 115.00 feet from the South line of said Southwest Quarter; thence South 46°04'17" East 71.05 feet to a point lying North 65.00 feet from the South line of said Southwest Quarter; thence North 89°11'56" East 1400.00 feet; thence South 06°02'57" West 40.29 feet to a point lying North 25.00 feet from the South line of said Southwest Quarter; thence South 89°11'56" West 1444.82 feet to the Point of Beginning containing **1.358** acre subject to any easements of record with all mineral rights staying with Col. James Jabara Airport.

AND

Parcel 15b

A portion of the South Half of the Southwest Quarter of Section 21, Township 26 South, Range 2 East of the 6th Principal Meridian, Sedgwick County, Kansas, more particularly described as follows:

Commencing at the Southwest corner of the Southwest Quarter of Section 21, Township 26 South, Range 2 East of the 6th Principal Meridian; thence on a bearing based in the Kansas Coordinate System of 1983, North 89° 11' 56" East along the South line of said Southwest Quarter 1501.58 feet; thence North 06°02'57" East 25.18 feet to a point lying North 25.00 feet from the South line of said Southwest Quarter for the Point of Beginning; thence continuing North 06°02'57" East 40.29 feet to a point lying North 65.00 feet from the South line of said Southwest Quarter; thence North 89°11'56" East 780.55 feet; thence North 00°48'04" West 50.00 feet to a point lying North 115.00 feet from the South line of said Southwest Quarter; thence North 89°11'56" East 100.00 feet; thence South 00°48'04" East 50.00 feet; thence North 89°11'56" East 277.67 feet to the East line of said Southwest Quarter; thence South 01°58'32" East 40.01 feet to a point lying North 25.00 feet from the South line of said Southwest Quarter; thence South 89°11'56" West 1163.84 feet to the Point of Beginning containing **1.181** acres subject to any easements of record with all mineral rights staying with Col. James Jabara Airport.

2. Buyer agrees to purchase, and pay to Seller cash at closing as consideration for the conveyance to Buyer of the above described real property the sum of **One Hundred Twenty-Four Thousand Nine Hundred Eighty Dollars (\$124,980.00)** plus or minus adjustments provided herein.
3. Buyer shall deliver to the Title Company, within ten (10) business days after the "Effective Date" (hereafter defined), as earnest money, the sum of **Five Thousand**

Dollars (\$5,000). At the time of Closing, the earnest money shall be credited against the purchase price. In the event Buyer should fail to cure any default in the performance of its obligations hereunder within ten (10) days after receiving written notice thereof from Seller, specifically setting out such default and advising what must be done to correct the default, this Agreement shall be considered as terminated and, thereupon, Seller shall be entitled to the earnest money, which funds shall be accepted by Seller, not as a penalty, but as its sole and only remedy and as complete liquidated damages, and the parties shall be under no further obligation to each other. If Seller should default hereunder, Buyer shall be entitled to: (i) terminate this Agreement by giving Seller written notice of termination, whereupon Buyer shall be entitled to a return of the earnest money, and the parties shall be relieved of their respective rights and obligations set forth in this Agreement; (ii) pursue specific performance; or, (iii) if Seller has made specific performance impossible, Buyer shall be entitled to a return of the earnest money and shall be further entitled to pursue Seller for damages. If Buyer accepts this Agreement, then, for the purpose of establishing the various time intervals that commence with the Effective Date of this Agreement, such Effective Date shall be deemed to be the date of BOCC approval as indicated in the first paragraph of this Agreement.

4. Buyer accepts for itself as a condition of the transfer, the following reservations and restrictions which bind the Seller and that shall run with the land:
 - (a) That the Wichita Airport Authority reserves unto itself, its successors and assigns [including Sedgwick County], for the use and benefit of the public a right of flight for the passage of aircraft in the airspace above the surface of the real property hereinafter described, together with the right to cause in said airspace such noise as may be inherent in the operations of aircraft, now known or hereafter used, for navigation of or flight in the said airspace, for use of said airspace for landing on, or taking off from or operating on Colonel James Jabara Airport.
 - (b) That the Wichita Airport Authority expressly agrees for itself, its successors and assigns [including Sedgwick County], to restrict the height of structures, objects of natural growth and other obstructions on the hereinafter described real property to such a height so as to comply with Federal Aviation Regulations, Part 77.
 - (c) That the Wichita Airport Authority expressly agrees for itself, its successors and assigns [including Sedgwick County], to prevent any use of the hereinafter described real property which would interfere with the landing or takeoff of aircraft at Colonel James Jabara Airport or interfere with air navigation and/or communication facilities serving Colonel James Jabara Airport, or otherwise constitute an airport hazard.
 - (d) Ensure that the Wichita Airport Authority and its successors and assigns [including Sedgwick County] shall not permit/afford access from the subject property onto Colonel James Jabara Airport property for aeronautical purposes.

- (e) All mineral rights will remain with Col. James Jabara Airport.
5. All taxes shall be adjusted and prorated as of closing. Taxes shall be prorated for the current calendar year on the basis of taxes levied, or, if not available at the time of closing, on the basis of the prior year.
 6. A duly executed copy of this Purchase Contract shall be delivered to the parties hereto.
 7. Seller agrees to convey the above-described premises with all improvements located thereon and deliver possession of the same as they now are, reasonable wear and tear excepted. Seller covenants and represents to Buyer that before closing it will: 1) remove all non-fixture personal property including trash, refuse and debris, and 2) have removed, and lawfully terminated, the rights of any tenants or other parties in possession.
 8. Seller agrees to allow Buyer and Buyer's agents to enter the property before closing, at any reasonable time and upon reasonable notice, for the purpose of conducting any inspections, including but not limited to invasive asbestos surveys, soil borings, or other types of pre-closing property condition investigations.
 9. It is understood and agreed between the parties hereto that time is of the essence in the interpretation and enforcement of these conditions, and the sale herein authorized shall be consummated and closed no later than forty-five days following acceptance of the Contract by the Board of County Commissioners, provided, however, the date for consummation and closing may be extended by mutual agreement by the parties and such agreement will not be unreasonably withheld. Regardless of the closing date, it is understood by the parties that the Seller shall have no less than ninety days after notification by the County to deliver possession of the Property to the County.
 10. Seller shall be responsible for all utility bills from closing until delivery of real property to the County.
 11. The Closing shall be conducted by Security 1st Title, 727 North Waco, Suite 300, Wichita, Kansas. Title and all fees charged by the closing agent shall be paid by the Buyer.
 12. The parties covenant and agree that, except for the closing fees referenced elsewhere herein, each is solely responsible for the payment of any fee for brokerage, technical or other professional services relating to the execution and performance of this Contract.

[The remainder of this page is intentionally left blank.]

Executed as of the day and year first above written.

SELLER:

WICHITA AIRPORT AUTHORITY

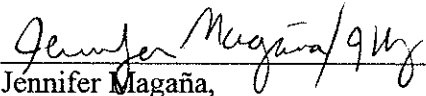
ATTEST:

BY: _____
Jeff Longwell, President

Karen Sublett, City Clerk

BY:  _____
Victor D. White, Director of Airports

Approved as to form:

 _____
Jennifer Magaña,
City Attorney and Director of Law

BUYER:


SEDGWICK COUNTY, KANSAS

Richard Ranzau, Chairman
Fourth District
Board of County Commissioners

ATTEST:

Kelly B. Arnold, County Clerk

APPROVED AS TO FORM:

 _____
Robert W. Parnacott
Assistant County Counselor

REVIEWED BY:



U.S. Department
of Transportation

**Federal Aviation
Administration**

Central Region
Iowa, Kansas,
Missouri, Nebraska

901 Locust
Kansas City, Missouri 64106
(816) 329-2600

June 3, 2015

Mr. John Oswald
Airport Engineer
Colonel James Jabara Airport
2173 Air Cargo Road
Wichita, KS 67209

Release of Airport Property
Col. James Jabara Airport (AAO)
Approximately 1.358 Acres
Wichita, KS, Sedgwick County, Kansas

Dear Mr. Oswald:

This is in response to your letter dated September 9, 2014, requesting that 1.358± acres of federally obligated land, but not the mineral rights, be released from conditions of the Grant Agreements.

A release permitting the sale and disposal of real property transferred to the airport owner is only granted when it is clearly shown such property is no longer needed to directly support an airport purpose or activity and sale of such property will benefit civil aviation by producing an equal or greater benefit to the airport than continued retention of the land. Conversion of a real property asset into another form of asset, such as cash or physical improvements, can better serve the airport. This objective is not met unless an amount equal to the net sale proceeds based on the current fair market value (FMV) of the property is realized as a consequence of the release and such amount is committed to airport purposes. While this is a release of airport property, the mineral rights are to stay with the airport.

Under 49 U.S.C. §§47153(c), FAA is required to provide at least a 30-day notice to the public regarding the requested release. The required notice was published in the Federal Register on April 21, 2015.

We have concluded that this property, as legally described in the enclosed Deed of Release, meets the conditions mentioned previously for release. We have also concluded that the release and use of such land for road widening and utilities will not interfere with the operation, maintenance or future development of the airport.

RECEIVED

JUN 04 2015

AIRPORT ENGINEER

By accepting this release, the Airport Owner agrees to:

1. Ensure that if the property is used or converted to a non-aeronautical, municipal use, the sponsor will deposit, immediately after the sale, the net sale proceeds based on its current FMV or an equivalent amount, into an identifiable interest bearing account currently paying the highest interest rate. The proceeds should remain in this account until utilized in accordance with FAA Order 5190.6B, chapter 22, item 22.17 paragraph e, pages 22-13 & 22-14.
2. Expend, within five (5) years after the Deed of Release execution date, the sum of \$24,800.00 plus accumulated interest from the sale of the right of way and temporary right of way for Sedgwick County Public Works .
3. Maintain accurate records of the above listed expenditures in accordance with accepted business practices, and for three (3) years after the approved project is completed, keep the records open for inspection by the FAA at any time.
4. Ensure that whoever the land is initially and subsequently conveyed to including the airport owner, they and their successors and assigns protect the rights and interests of the public in Colonel James Jabara Airport and prevent any use of subject property that would constitute an airport hazard.
5. Ensure that they and their successors and assigns retain, for the use and benefit of the public, the right of flight for the passage of aircraft in the airspace above the surface of the subject property, the right for existing and future aircraft to generate noise in that airspace, and the right to use the airspace to land on or take off from the airport.
6. Ensure that they and their successors and assigns shall not permit/afford access from the subject property onto Colonel James Jabara Airport property for aeronautical purposes.
7. Update the Airport Layout Plan and Exhibit "A" Property Map upon acceptance of the release to reflect the new airport boundaries.

In consideration of these premises, the FAA agrees to release the Airport Owner from the obligations, terms, and conditions of the existing grant agreements as of the date of this agreement as they may relate to the subject property, while keeping the mineral rights of this property.

Please indicate your acceptance of these conditions by signing and completing the bottom portion of this letter and its enclosed duplicate and returning one copy to our office.

In addition, please have the original and three copies of the Deed of Release (enclosed) executed on behalf of the Airport Owner and return one copy to us that has been filed with the county records office and contains the book and page number of this deed of release.

Sincerely,



Jim A. Johnson
Airport Division Manager

4 Enclosures

Accepted for Airport Owner

By:

Title:

Date:

Approved as to Form:


Jennifer L. Magana, Director of Law

DEED OF RELEASE

This instrument, a Deed of Release, made by the United States of America, Acting by and through the Administrator of the Federal Aviation Administration, Department of Transportation, under and pursuant to the powers and authority contained in the provisions of 49 U.S.C. §47153, to Wichita Airport Authority, a body politic, created, operating, and doing business under the laws of the State of Kansas, WITNESSETH:

WHEREAS, the Airport Owner has requested the United States of America to release the hereinafter described real property from all of those terms, conditions, reservations and restrictions of the said instrument(s) of transfer; and

WHEREAS, the Administrator of the Federal Aviation Administration is authorized to grant releases pursuant to the powers and authority contained in 49 U.S.C. §47153; and

WHEREAS, by virtue of delegation of authority, the Manager, Airports Division, Central Region, Federal Aviation Administration, under and pursuant to the powers and authority contained in 49 U.S.C. §47153 is authorized to make determinations on requests for Deed of Release and to execute said Deeds of Release to convey, quitclaim or release any right or interest reserved to the United States of America by an instrument of disposal; and

WHEREAS, the Manager, Airports Division, Central Region, Federal Aviation Administration, has determined that the release of such real property as is hereinafter described, from all of the said terms, conditions, reservations and restrictions set forth in the above identified instrument of transfer will not prevent accomplishment of the purpose for which the property was made subject to such terms, conditions, reservations and restrictions and is necessary to protect or advance the interests of the United States of America in civil aviation.

NOW THEREFORE, for and in consideration of the above expressed recitals and of the benefits to accrue to the United States and to civil aviation, the United States of America, upon inclusion by the Wichita Airport Authority in the Instrument of Transfer conveying title to the hereinafter described real property of provisions as follows:

- (1) That the Wichita Airport Authority reserves unto itself, its successors and assigns, for the use and benefit of the public a right of flight for the passage of aircraft in the airspace above the surface of the real property hereinafter described, together with the right to cause in said airspace such noise as may be inherent in the operations of aircraft, now known or hereafter used, for navigation of or flight in the said airspace, for use of said airspace for landing on, or taking off from or operating on Colonel James Jabara Airport.
- (2) That the Wichita Airport Authority expressly agrees for itself, its successors and assigns, to restrict the height of structures, objects of natural growth and other obstructions on the hereinafter described real property to such a height so as to comply with Federal Aviation Regulations, Part 77.

(3) That the Wichita Airport Authority expressly agrees for itself, its successors and assigns, to prevent any use of the hereinafter described real property which would interfere with the landing or takeoff of aircraft at Colonel James Jabara Airport or interfere with air navigation and or communication facilities serving Colonel James Jabara Airport, or otherwise constitute an airport hazard.

(4) Ensure that the Wichita Airport Authority and their successors and assigns shall not permit/afford access from the subject property onto Colonel James Jabara Airport property for aeronautical purposes.

(5) Ensure that if the property is used or converted to a municipal use, an amount equal to the fair market value will be deposited into an identifiable interest bearing account prior to conversion of the property to the municipal use. The proceeds should remain in this account until utilized in accordance with FAA Order 5190.6B, chapter 22, item 22.17 paragraph e, pages 22-13 & 22-14.

HEREBY, releases the said real property from the terms, conditions, reservations, and restrictions as contained in which real property is described as follows:

Parcel 15a

A portion of the South Half of the Southwest Quarter of Section 21, Township 26 South, Range 2 East of the 6th Principal Meridian, Sedgwick County, Kansas, more particularly described as follows:

Commencing at the Southwest corner of the Southwest Quarter of Section 21, Township 26 South, Range 2 East of the 6th Principal Meridian; thence on a bearing based in the Kansas Coordinate System of 1983 North 89° 11' 56" East along the South line of said Southwest Quarter 60.00 feet; thence North 01° 20' 30" West parallel with the West line of said Southwest Quarter 25.00 feet to a point lying North 25.00 feet from the South line of said Southwest Quarter and East 60.00 feet from the West line of said Southwest Quarter for the Point of Beginning; thence continuing North 01° 20' 30" West 90.00 feet to a point lying North 115.00 feet from the South line of said Southwest Quarter; thence South 46° 04' 17" East 71.05 feet to a point lying North 65.00 feet from the South line of said Southwest Quarter; thence North 89° 11' 56" East 1400.00 feet; thence South 06° 02' 57" West 40.29 feet to a point lying North 25.00 feet from the South line of said Southwest Quarter; thence South 89° 11' 56" West 1444.82 feet to the Point of Beginning containing 1.358 acre subject to any easements of record.

This release is for the specific purpose of permitting the Wichita Airport Authority to sell and convey title to the above described property for sale to Sedgwick County Public Works for the purpose of road widening and utilities.

By its acceptance of this Deed of Release Wichita Airport Authority also covenants and agrees for itself, its successors and assigns, to comply with and observe all of the conditions and limitations hereof, which are expressly limited to the above described real property.

IN WITNESS WHEREOF, the United States of America has caused these presents to be executed in its name and on its behalf by the Manager, Airports Division, Central Region, Federal Aviation Administration, all as of the 3rd day of June, 2015

UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION

By *Jim A. Johnson*
Jim A. Johnson, Manager,
Airports Division, Central Region
Federal Aviation Administration

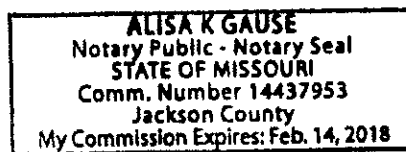
STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

On this 3rd day of June, 2015, before me a Notary Public in and for the County of Jackson, State of Missouri, personally appeared Jim A. Johnson, known to me to be the Manager, Airports Division, Central Region, Federal Aviation Administration, and known to me to be the person whose name is subscribed to the within instrument and acknowledge that he executed the same on behalf of the Administrator of the Federal Aviation Administration and the United States of America.

WITNESS my hand and official seal.

Alisa K. Gause
Notary Public in and for said County and State

(SEAL)



My commission expires 2/14/18

Accepted:

Wichita Airport Authority

By: _____

Title: _____

Date: _____

Approved as to Form:

Jennifer L. Magana
Jennifer L. Magana, Director of Law

ACAA